

UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF PENNSYLVANIA

IN RE: :  
: Case No. 23-10763  
:  
STREAM TV NETWORKS, INC. CH: 11 : ADV. No. 23-00057  
:  
Stream Tv Networks, Inc. Vs : Philadelphia, Pennsylvania  
Shadron L Stastney : October 6, 2023  
: 11:14 a.m.  
Motion For Preliminary Injunction :  
Request For Temporary Restraining :  
Order Filed By Alastair Crawford, :  
Delaware And Other Law Firms :  
Representing And Acting In :  
Concert With John Doe(S) And/Or :  
Jane Doe(S), Jane Doe(S), John :  
Doe(S), Asaf Gola, Kevin Gollop, :  
Hawk Investment Holdings Limited, :  
Investment Banks Employed By John :  
Doe(S) And/Or Jane Doe(S), :  
Krzysztof Kabacinski, Arthur :  
Leonard Robert "Bob" Morton, :  
Seecubic B.V., Sls Holdings Vi, :  
Llc, Shadron L Stastney, :  
Seecubic, Inc., Patric Theune :  
Represented By Rafael X. :  
Zahralddin :  
. . . . .

BEFORE THE HONORABLE MAGDELINE D. COLEMAN  
UNITED STATES BANKRUPTCY JUDGE

APPEARANCES:

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APPEARANCES:

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For SeeCubic, Inc.:	Eben P. Colby, Esq. Marley Anne Brumme, Esq. Skadden Arps Slate Meagher & Flom, LLP 500 Boylston Street, 23rd Floor Boston, MA 02116 617-573-4800
For Shadron Stastney:	Terence M. Grugan, Esq. Emilia McKee-Vassallo, Esq. 1735 Market Street 51st Floor Ballard Spahr Philadelphia, PA 19103 215-864-8320
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    (By Mr. Kodosky)  
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1 THE COURT: Yes.

2 MR. KODOSKY: My name is Keith Kodosky. I'm a  
3 partner with the Atlanta office of Lewis Brisbois.

4 THE COURT: And could you spell that for me, Counsel?

5 MR. KODOSKY: Yes, Your Honor. It's K-O-D-O-S-K-Y.

6 THE COURT: Okay. And you --

7 MR. KODOSKY: I'm joined here today --

8 THE COURT: Um-hum.

9 MR. KODOSKY: -- with Mr. Matthew Rajan and Mr.  
10 Charles Roberts.

11 MR. ROBERTSON: Robertson.

12 MR. KODOSKY: Robertson.

13 THE COURT: And they're both --

14 MR. KODOSKY: With the Debtors.

15 THE COURT: But they're not counsel? They're just  
16 witnesses?

17 MR. KODOSKY: Correct. I am joined by Kevin Shaw and  
18 Andrew Trinowsky.

19 THE COURT: Counsel? Yes, Counsel for the Debtors?

20 MR. KODOSKY: Yes, Your Honor.

21 THE COURT: Okay. So there's Kevin?

22 MR. KODOSKY: Shaw, Your Honor. Sierra, Hotel,  
23 Alpha, Whiskey.

24 THE COURT: Okay. And your counsel for Debtors.

25 You've been here before, correct, Mr. Shaw?

1 MR. SHAW: Yes, Your Honor.

2 THE COURT: Okay. And who is the other co-counsel?

3 MR. KODOSKY: Andrew --

4 MR. ROBERTSON: I'm just a law clerk.

5 THE COURT: Oh, okay. Well, I upgraded you.

6 MR. KODOSKY: Your Honor, we're very pleased to  
7 announced that he passed the Bar yesterday.

8 THE COURT: For Delaware?

9 MR. ROBERTSON: Yes, ma'am. Delaware.

10 THE COURT: Oh. I remember when I was going -- do  
11 they still make you kind of scroll through for your number to  
12 see if you -- when you want to confirm that you've been  
13 admitted, they have it listed by number and you have to go  
14 through and see if your number is on there?

15 MR. ROBERTSON: Oh, it's by name. It's actual name.

16 THE COURT: Oh, well hmm. Well, that's great,  
17 because when I did it, you had to scroll through and look for  
18 your number.

19 MR. ROBERTSON: Oh, wow.

20 THE COURT: And I thought I knew what my number was,  
21 but I wasn't sure. It was on there.

22 MR. ROBERTSON: Thank you, Your Honor.

23 MR. KODOSKY: It's like a closing.

24 THE COURT: What?

25 MR. KODOSKY: It's like a school closing, except for

1 a number.

2 THE COURT: Right. I was going through and I was  
3 like looking and just kind of slowly, but at least now you know  
4 to look for your name. Well, my daughter gets hers today.

5 MR. ROBERTSON: Oh, wow. Thank you, Your Honor. I  
6 appreciate it.

7 THE COURT: Thank you. Congratulations. So now we  
8 can say he's more than a law clerk.

9 MR. ROBERTSON: Yes, yes.

10 THE COURT: He just hasn't been formally admitted.

11 Did you do the list -- do they still make you do that  
12 list of tasks?

13 MR. ROBERTSON: Oh, yeah. Definitely.

14 THE COURT: Oh, yeah. Well, have fun with that.  
15 Okay. That is not a good process, but, you know, it's -- I  
16 think it's just hazing, but in any event, I can say that.

17 All right. I'm sorry, Counsel. Go ahead.

18 MR. KODOSKY: No worries, Your Honor. As our first  
19 witness, we have, in compliance with the Court's direction,  
20 filed this morning, witness and exhibit lists.

21 THE COURT: Um-hum.

22 MR. KODOSKY: As our first witness, we would call Mr.  
23 -- I apologize if I'm --

24 THE COURT: We're not there. What I'm going to do  
25 right now is I'm going to get appearances from each side.

1 MR. KODOSKY: Okay.

2 THE COURT: And then we're going to have an initial  
3 hearing as to why this is an emergency.

4 MR. KODOSKY: Okay.

5 THE COURT: Because I have some questions.

6 MR. KODOSKY: Okay.

7 THE COURT: I have a whole list of questions.

8 MR. KODOSKY: Okay.

9 THE COURT: So we may get to, you know -- this may  
10 not -- well, assuming my questions are answered, then we may  
11 need some evidence. If they're not, I may be able to, based on  
12 the record that I have before me, make a ruling. I don't know  
13 yet.

14 MR. KODOSKY: Okay.

15 THE COURT: But that's where I am, okay?

16 All right. Let me see who's here for the opposing  
17 party.

18 MR. KODOSKY: Thank you, Your Honor.

19 THE COURT: Um-hum.

20 MR. COLBY: Good morning, Your Honor. Eben Colby and  
21 Marley Brumme from Skadden Arps on behalf of SeeCubic. Also  
22 joined by one of our paralegals, Melissa Lau, L-A-U.

23 THE COURT: Okay, paralegal.

24 MR. COLBY: And finally, from SeeCubic, Shad  
25 Stastney, Mr. Stastney has been here before.



1 THE COURT: And who are you here for, Mr. Colby,  
2 again?

3 MR. COLBY: SeeCubic, Inc.

4 THE COURT: Okay. Anybody else entering their  
5 appearance in this matter?

6 MR. COLBY: Yeah. There's some new faces here today,  
7 Your Honor.

8 THE COURT: Okay.

9 MR. GRUGAN: Good morning, Your Honor. Terence  
10 Grugan from Ballard Spahr.

11 THE COURT: Terence? What's your name again? Last  
12 name, sir?

13 MR. GRUGAN: Grugan, Your Honor. G-R-U-G-A-N.

14 THE COURT: And you're from Ballard. And who do you  
15 represent?

16 MR. GRUGAN: I represent Mr. Stastney in his personal  
17 capacity.

18 THE COURT: Now, are you involved with representing  
19 Mr. Stastney? I know that tentatively that there's this  
20 adversary against lots of people. I don't look at those things  
21 until I have to, but I know they exist. Are you representing  
22 him in that matter or solely for today?

23 MR. GRUGAN: In the adversary matter. I would enter  
24 my appearance on behalf of Mr. Stastney individually.

25 THE COURT: All right.

1 MR. GRUGAN: Yep.

2 THE COURT: As I say, I don't go perusing the dockets  
3 and creating trouble for myself.

4 MR. KODOSKY: Yeah. And Your Honor, just to clarify,  
5 I believe the motion was filed in the adversary proceeding.

6 THE COURT: Right. I know that, but --

7 MR. KODOSKY: Okay.

8 THE COURT: -- I wasn't sure that whether an  
9 appearance had been entered yet for Mr. Stastney. Again, I  
10 don't -- I would not get that information until some matter  
11 came, either a motion to dismiss or an answer was filed. And  
12 once an answer is filed, I issue a scheduling order. I'm  
13 nowhere near that, so I don't even know, to be perfectly  
14 honest, who the Defendants are, other than what's in the title.  
15 Okay. All right.

16 And you are here, sir?

17 MR. WRIGHT: Good morning, Your Honor. Davis Wright  
18 from Robinson & Cole. I'm here on behalf of SLS Holdings VI,  
19 LLC.

20 THE COURT: SLS Holdings VI, LLC?

21 MR. WRIGHT: LLC, Your Honor. Yes.

22 THE COURT: And I'm sorry. Your last name, again,  
23 Counsel?

24 MR. WRIGHT: Wright, W-R-I-G-H-T.

25 THE COURT: Okay.

1 MR. WRIGHT: Thank you.

2 THE COURT: Thank you. Mister --

3 MR. CAPONI: Your Honor, good morning, again. Steve  
4 L. Caponi from K&L Gates on behalf of Hawk.

5 THE COURT: And is Hawk a Defendant in the adversary?

6 MR. CAPONI: There are no other Defendants at this  
7 point in time, Your Honor.

8 THE COURT: Okay. Again, I don't know who -- other  
9 than, you know, the original just looking at the caption, I  
10 have no clue who's the Defendant. I know there's a lot of  
11 names. Okay. Anybody else who -- oh, okay.

12 MR. DEMARCO: Yes, Your Honor. Andrew DeMarco from  
13 Devlin Law Firm, here for Rembrandt.

14 THE COURT: Rembrandt. Okay. Anybody else? I think  
15 that covers everyone in the courtroom. All right.

16 MR. KODOSKY: Your Honor --

17 THE COURT: Um-hum.

18 MR. KODOSKY: -- just while we're on the issue of  
19 appearances, I would note for the record that the adversary  
20 proceeding was filed against a number of other individuals and  
21 a company. They are also, supposedly, subject of the TRO  
22 motion, but they're not here. They don't have counsel here.  
23 Based on our view, it doesn't look like they've been properly  
24 served. It's a little hard to see how we could proceed on a  
25 TRO motion against them where they haven't been properly

1 served. I'll just make that notation for the record, but so  
2 that would --

3 THE COURT: Well, that's their burden. They have to  
4 show that --

5 MR. KODOSKY: You took the words right out of my  
6 mouth, Your Honor.

7 THE COURT: That's on them, so I mean, I've read your  
8 pleadings. And again, that's what took a bit, because unlike  
9 law firms, I don't have 10 associates to research issues and go  
10 through. So it's, you know -- so it took us a bit,  
11 particularly since, you know, I'm a little under the weather.  
12 So that's my story as to why we're starting a little later than  
13 I anticipated. Oh, can you not hear me? Can you hear me now?  
14 Okay. I apologize. Again, and counsel, I will, again,  
15 reiterate that if I start to feel unwell, I am going to take a  
16 little time out, okay? All right.

17 So Mr. Kodosky, you've heard my -- the initial, I  
18 guess, inquiry would be, is who are we proceeding against  
19 today, and what's the emergency with respect to -- I'm assuming  
20 each one of these named Defendants, which is -- hold on. Let  
21 me -- I do have a pleading binder. It's not going to have --  
22 let's see what we have in ours, which is going to be the  
23 original complaint. So I have the original complaint that was  
24 filed, and it names a number of -- I mean, my original, if I  
25 just look at it on my docket sheet, it's just going to say

1 Stream TV and Technovative versus Stastney, SLS, et al. So I  
2 do have a copy of the original complaint that lists all of the  
3 Defendants.

4 So let's start with who is the Debtor seeking a TRO  
5 against?

6 MR. KODOSKY: The TRO was filed against all of the  
7 Defendants, Your Honor.

8 THE COURT: Um-hum.

9 MR. KODOSKY: But admittedly, we are still in the  
10 process of serving some of the overseas individuals and  
11 entities. We have before us with the Court today, Mr. Stastney  
12 and Hawk and SLS and SCI.

13 THE COURT: Wait. I thought Hawk wasn't a Defendant  
14 in this matter.

15 Did I miss something, Mr. Caponi?

16 MR. CAPONI: I believe Hawk is a Defendant.

17 THE COURT: I thought you said Hawk -- Hawk is  
18 named --

19 MR. KODOSKY: Hawk is here.

20 MR. CAPONI: Hawk is named.

21 THE COURT: Yeah. You said they weren't a Defendant  
22 -- to your knowledge, they weren't a Defendant yet, but  
23 apparently, Hawk Investment Holdings -- is that -- you know you  
24 guys have different names for these companies, so I don't know.  
25 Is this the one that's your client? Is this something

1 different? I don't know, but I thought you said they were not  
2 a Defendant yet.

3 MR. CAPONI: Hawk Investment Holdings Limited, Your  
4 Honor?

5 THE COURT: Yes. Is that something different than  
6 the Hawk we've been talking about?

7 MR. CAPONI: No. That's who I represent in this  
8 proceeding.

9 THE COURT: Okay. So they are a named Defendant?

10 MR. CAPONI: They are a named Defendant, Your Honor,  
11 and they have filed a proof of claim in this case. And I know  
12 that there have been questions raised or at least eluded to  
13 about, you know, jurisdiction. Our position is, is that, for  
14 example, Hawk or SLS or SCI, they've filed proofs of claim,  
15 they're here, there shouldn't be a question of jurisdiction. I  
16 believe the Court's bigger concern is why now, the urgency  
17 question.

18 THE COURT: Well, before we get to the urgency, what  
19 about these other people who have -- I haven't heard anyone  
20 say. So Mister -- I gave you another name, counsel.

21 MR. CAPONI: Sorry?

22 THE COURT: I made up a different name for you. I  
23 made you Steven Kobe [phonetic]. I'm like, who is that. For  
24 Hawk's.

25 MR. CAPONI: Hawk, yes.

1 THE COURT: Yes. That --

2 MR. CAPONI: Yes.

3 THE COURT: I'm sorry, Mr. Caponi.

4 MR. CAPONI: All right.

5 THE COURT: I know I wrote Kobe. I don't know why.

6 Between Kobe and DeMarco, those seem to be our favorite last  
7 names for this hearing. All right.

8 So Mr. Caponi, Hawk is a named Defendant in the  
9 matter. I had written that --

10 MR. CAPONI: Correct, Your Honor.

11 THE COURT: -- they weren't, and you said to your  
12 knowledge they weren't, but apparently they are named. All  
13 right.

14 So what about Arthur Leonard "Bob" Morton?

15 MR. KODOSKY: Overseas Defendant, Your Honor. We are  
16 still in the process of serving him and the other individuals  
17 overseas, which is not critical for today's purposes.

18 THE COURT: So you're not looking for relief against  
19 Mr. Morton?

20 MR. KODOSKY: The most important thing, Your Honor,  
21 is we're asking for relief against Mr. Stastney and the  
22 companies that he's in charge of, and he's actually --

23 THE COURT: Well, let's identify specifically who  
24 we're talking about. So you're seeking relief against Mr.  
25 Stastney individually, correct?

1 MR. KODOSKY: Correct.

2 THE COURT: And which companies? Which we believe is  
3 SeeCubic what?

4 MR. KODOSKY: I'm sorry. SLS Holdings VI, LLC.

5 THE COURT: Hold on. SLS VI Holdings, LLC, who is  
6 represented by Mr. Wright here, correct?

7 MR. KODOSKY: Correct.

8 MR. WRIGHT: Yes, Your Honor.

9 THE COURT: All right. Who else?

10 MR. KODOSKY: SeeCubic, Inc.

11 THE COURT: Represented by Mr. Colby. And Stastney  
12 is represented by Mr. Grugan from Ballard.

13 Did I pronounce your last name right?

14 MR. GRUGAN: Grugan. That's it, Your Honor.

15 THE COURT: All right. Okay, because I'm a little  
16 off. I'm spelling names probably not correctly, but just bear  
17 with me.

18 All right. Who else are we asking for relief for?

19 MR. KODOSKY: Hawk Investment Holdings Limited.

20 THE COURT: And that's Mr. Caponi's client.  
21 Investment Limited. Okay.

22 And who else?

23 MR. KODOSKY: Any agents of any of the above, Your  
24 Honor. Servants, employees, attorneys, others acting on their  
25 behalf.



1 THE COURT: All right. Now, what about -- who is  
2 Patric Theune?

3 MR. KODOSKY: He is --

4 THE COURT: Is he here? Is he --

5 MR. KODOSKY: Overseas.

6 THE COURT: -- represented?

7 MR. KODOSKY: Overseas.

8 THE COURT: Okay. And you're looking for some relief  
9 against him?

10 MR. KODOSKY: Once he's served. If --

11 THE COURT: Well, I can't do anything with them  
12 today.

13 Now, what about SeeCubic B.V.? Is somebody here for  
14 them? Because I heard Mr. Colby say SeeCubic, Inc.

15 MR. KODOSKY: Correct. SeeCubic, Inc. is the  
16 Delaware entity --

17 THE COURT: Um-hum.

18 MR. KODOSKY: -- that is involved --

19 THE COURT: Um-hum.

20 MR. KODOSKY: -- formed by the secured creditor.  
21 SeeCubic B.V. is one of the Dutch entities --

22 THE COURT: Oh.

23 MR. KODOSKY: -- that's the R&D entity that we've  
24 been talking about for some months that's in the Netherlands.

25 THE COURT: So who is representing them?

1 MR. KODOSKY: They have not been served, Your Honor.

2 THE COURT: Okay. So they haven't served. And I  
3 don't know how that is -- is that service required by the Hague  
4 Convention? Is service required -- I don't know. I'm assuming  
5 if they are a signatory to the Hague Convention that they are  
6 going to have to be served in accordance with whatever that is,  
7 which is translated and all those other different steps you  
8 have to -- so right now, we do not have SeeCubic B.V., we do  
9 not have Patric Theune, and we don't have the name -- all these  
10 named individuals, Mr. Morton, Mr. Crawford, Mr. Kabacinski,  
11 Mr. Gollop, ASAF Gola, and obviously all these other -- Jane  
12 Doe(s) of Delaware. What's Delaware? Delaware, another law  
13 firm? What does that mean? John Doe(s), Jane Doe(s) Delaware.  
14 So John and Jane Doe(s) of Delaware, or is Delaware just the  
15 State of Delaware? I don't know.

16 Again, I have not -- I guess, you know, that would've  
17 required me to go through the complaint and see who the parties  
18 are and how they're identified. Oh, okay. Preliminary  
19 statement, jurisdiction and venue. Oh, okay. They're under  
20 Defendants, they're all identified in the parties, and let's  
21 see who we see in this. Miscellaneous. Jane Doe(s),  
22 Defendant, John Doe(s), law firms employed by John Doe(s) and  
23 Jane Doe(s). Defendant law firms are operating -- oh, on the  
24 Delaware law employed. Okay, I get it.

25 All right. So it seems to me right now, today, all

1 we have is Mr. Stastney individually, SLS VI Holdings, LLC,  
2 SeeCubic, Inc, and Hawk Investments Limited. Those are the  
3 only parties that are here and you acknowledge have been  
4 properly served?

5 MR. KODOSKY: Correct, Your Honor.

6 THE COURT: Okay. I'm sorry. Can you hear me now?

7 MR. KODOSKY: Yes.

8 THE COURT: I'll endeavor to get it as close to  
9 possible to the mic. Is that okay, John?

10 UNIDENTIFIED SPEAKER: It's better.

11 THE COURT: All right.

12 UNIDENTIFIED SPEAKER: Thank you, Your Honor.

13 THE COURT: It's a little closer. All right.

14 So you agree that those are the only four of the  
15 Defendants are presently before this Court --

16 MR. KODOSKY: With the only caveat, Your Honor -- you  
17 mentioned SeeCubic B.V.

18 THE COURT: Um-hum.

19 MR. KODOSKY: Mr. Stastney has, as I believe the  
20 Court is aware, has been appointed director as of essentially  
21 two weeks ago of that entity, over in the Netherlands.

22 THE COURT: Okay.

23 MR. KODOSKY: So whether or not they're here today by  
24 virtue of his appearing in the courtroom today, obviously we're  
25 still working through service issues and so forth, but I

1 just --

2 THE COURT: But it's not without notice.

3 MR. KODOSKY: I just at least for the --

4 THE COURT: Right. I mean, it's not like these other  
5 people who may be unaware of any of this stuff --

6 MR. KODOSKY: Correct, Your Honor.

7 THE COURT: -- or anything, that while they may not  
8 have been formally served, it's not without notice to at least  
9 a director.

10 MR. KODOSKY: Correct.

11 THE COURT: No. I mean, they don't have to appear.  
12 I mean, it's like anything else. It's like, you know,  
13 bankruptcy, I might know of it, but if you don't serve me or  
14 give me the proper information, I don't really have to  
15 participate, but I get it. I get what you're saying.

16 All right. So that's number one. So I don't see how  
17 I can issue any ruling. I mean, actually, you can issue a TRO,  
18 ex parte, without notice to anybody --

19 MR. KODOSKY: Right.

20 THE COURT: -- with an order that the hearing be held  
21 within its designated time period, but nobody asked for ex  
22 parte relief. They asked for a hearing, which is what I went  
23 from the very beginning, when I looked at that, it says, what  
24 kind of relief were you looking for, and it says TRO/injunctive  
25 relief. So I wasn't quite sure if you were trying to do just a

1 TRO or a combined hearing, or exactly what the Plaintiffs were  
2 asking for. So can you tell me exactly what you are asking  
3 this Court to do and in what context?

4 MR. KODOSKY: Absolutely, Your Honor. We have asked  
5 for a temporary restraining order to be entered for a period of  
6 14 days, as allowed under Bankruptcy Rule 7065 and Federal Rule  
7 of Civil Procedure 65, and then following the 14 day period, we  
8 would ask the preliminary injunction and permanent injunction  
9 be entered pending the final adjudication of this matter.

10 THE COURT: Okay. And then the preliminary  
11 injunction, what is that, 28 days?

12 MR. KODOSKY: I'm sorry?

13 THE COURT: What's that, 28 days for a preliminary  
14 injunction?

15 MR. KODOSKY: I didn't hear you, Your Honor.

16 THE COURT: Oh.

17 MR. KODOSKY: I'm sorry.

18 THE COURT: And the preliminary injunction is also  
19 limited in time, is it not?

20 MR. KODOSKY: We would ask for the preliminary  
21 injunction to last until the final order in this case, Your  
22 Honor. The final judgment.

23 THE COURT: I don't know.

24 MR. KODOSKY: The Court has the discretion to enter a  
25 preliminary injunction for a lesser time period, but we are

1 asking, given the nature of the relief that we're seeking, for  
2 it be entered until final judgment in this case.

3 THE COURT: Hmm, okay. Again, because of the way it  
4 was titled, I wasn't quite sure exactly. I knew it was an ex  
5 parte relief. That was the one thing I was certain of.

6 Okay. And you believe, and while an evidentiary  
7 hearing is not required for a TRO, it makes sense when there's  
8 disputed facts for the Court to make an -- to have an  
9 evidentiary basis upon which to make its decision, if the Court  
10 finds that that record needs to be made.

11 And so that's the first thing I'm sort of trying to  
12 figure out before we get into all of this testimony, is -- and  
13 I don't think I need testimony to tell me what the Debtor  
14 believes was the basis for the -- why we needed to do this TRO  
15 and why it was an emergency. I'm not understanding what is the  
16 emergency. I've read both party's pleadings and I'm walking  
17 away confused.

18 So counsel, why don't you just, in the initial  
19 matter, tell me why you believe that this was, you know -- what  
20 is the emergency? I'm not understanding.

21 MR. KODOSKY: Well, there's several bases for that,  
22 Your Honor. First of which is that we've recently been  
23 informed and -- permission to approach, Your Honor? We've been  
24 informed --

25 THE COURT: Well, no. Just tell me because I'm not

1 looking at evidence right now.

2 MR. KODOSKY: We've been informed by Philips that  
3 they're not giving out anymore licenses, and they also are in  
4 the process of selling a big chunk of the patents, and we're at  
5 a very real risk, Your Honor, of losing our license from  
6 Philips, based on the conduct of these Defendants. The fox is  
7 in charge of the hen house, Your Honor, as of two weeks ago.  
8 Mr. Stastney is in charge of -- he's been appointed a director  
9 of SCBV, which is new information. If --

10 THE COURT: Well, I get that's new. That's new from  
11 two weeks ago, correct?

12 MR. KODOSKY: Correct.

13 THE COURT: All right. That I get is new, but I'm  
14 not quite sure how that translates into an emergency, but  
15 you're going to have to tell me. At least tell me. I'm not  
16 looking at evidence, no. I'm just trying to get a feel for  
17 whether this is something that I even need to have a hearing  
18 on, or something that based on the pleadings that I've seen,  
19 putting aside whatever the parties are disputing, whether I can  
20 issue a ruling without, and then setting -- issue a TRO, and  
21 then a hearing on a preliminary injunction.

22 Because the first thing I have to figure out is, is  
23 this an emergency, and if it is, whether I even need to say,  
24 I'm not giving a TRO because there's not an emergency and just  
25 do a regularly scheduled hearing on a preliminary injunction.

1 You know, they're the same standard, by the way, but it's just  
2 that the TRO is more of an emergency as opposed to the  
3 preliminary injunction, which is not on an emergency basis --  
4 typically not on an emergency basis.

5 All right. Not giving out anymore licenses. Okay.  
6 Now, Stream has one, right? No, or Rembrandt has one? Who has  
7 a Philips license, your understanding? That's all I'm asking.

8 MR. KODOSKY: Correct, Your Honor. The license is  
9 held by Ultra D Ventures, and its affiliates, which includes  
10 the Debtors.

11 THE COURT: Ultra D? Ultra D who?

12 MR. KODOSKY: Ultra D Ventures, which is one of the  
13 Stream subsidiaries. I know Your Honor is --

14 THE COURT: Oh, no. I have my little handy -- no, I  
15 came prepared today.

16 MR. KODOSKY: We provided the --

17 THE COURT: Thanks to my law clerks, I am prepared,  
18 at least as prepared as I think I need to be.

19 MR. KODOSKY: I believe --

20 THE COURT: Okay. Ultra D Ventures?

21 MR. KODOSKY: Yes. Yes, Your Honor.

22 THE COURT: CV Corasaw [phonetic]?

23 MR. KODOSKY: Yes, Your Honor.

24 THE COURT: They hold licenses?

25 MR. KODOSKY: Correct.



1 THE COURT: Okay. Somebody gave me this. This is --  
2 somebody -- it may have actually been entered into evidence. I  
3 don't know. I'm sure somebody talked about it.

4 Mr. Colby?

5 MR. COLBY: Yeah. We submitted it in connection with  
6 our brief, but it also was used in the hearing on the Hawk  
7 motions.

8 THE COURT: Okay. I'm like, I didn't just pull this  
9 out of somewhere.

10 MR. COLBY: It is in evidence in that.

11 THE COURT: All right. So I see this Ultra D. Okay,  
12 okay. Hmm. And Ultra D is 99 percent -- according to this  
13 chart, apparently is 99 percent owned by Stream TV Networks.

14 MR. KODOSKY: Correct, Your Honor.

15 THE COURT: Okay.

16 MR. KODOSKY: And importantly, as I believe the Court  
17 is aware, the Philips license expressly provides that there are  
18 to be no sub-licenses. And so by virtue of the Defendants  
19 running around to potential clients and customers, sub-  
20 licensing the technology from Philips, they're breaching the  
21 Philips license, putting our license at risk.

22 THE COURT: Well, they -- I mean, if I read their  
23 response, they have their own direct license from Philips.  
24 That's what they say.

25 MR. KODOSKY: And that's certainly something that

1 we're going to be asking Mr. Stastney about, because there has  
2 been no license granted from Philips to SCI or to Mr. Stastney.

3 THE COURT: Well, that's a dispute. That's a  
4 dispute, I get that. Okay. So you believe that once Mr.  
5 Stastney was appointed on September --

6 MR. KODOSKY: September 20th.

7 THE COURT: Why did I have September 13th? What's  
8 September 13th?

9 MR. KODOSKY: September 12th, Your Honor, is the date  
10 that their attorneys --

11 THE COURT: Oh, it was a hearing. It was a hearing  
12 on the 12th or the 13th?

13 MR. KODOSKY: The 12th was whenever their attorneys  
14 submitted a new claim asking that Mr. Stastney be appointed  
15 director.

16 THE COURT: Oh, okay.

17 MR. KODOSKY: The 13th and 14th, I believe, were the  
18 dates of the hearing.

19 THE COURT: And then there was an order entered on  
20 the 20th?

21 MR. KODOSKY: And the order was entered on the 20th.  
22 And if you look -- and I know that you have, Your Honor, but --

23 THE COURT: Well, I wouldn't be so sure, but go  
24 ahead.

25 MR. KODOSKY: I've read your transcript from the

1 April 14th hearing where you specifically said, I don't want  
2 anybody going to the Netherlands and telling the Netherlands  
3 court. That claim belongs here. And then you came back at the  
4 June 29th hearing and you said, you went back and you read the  
5 April 14th transcript and you said, there's going to be serious  
6 consequences if anybody over in the Netherlands is trying to  
7 essentially take over any of the assets, and that's exactly  
8 what they did.

9 THE COURT: I don't know if they did or they didn't,  
10 but I will reiterate for the record that as far as this Court  
11 is concerned, to the extent the Debtor contains this is assets  
12 of the Debtor's estate and there's a dispute regarding that --  
13 now, this belongs here. Now, where I've sent it to, do I -- am  
14 I some expert on IP? I'm not. Would I send it somewhere else?  
15 But it's not going to be somewhere other than in this Court or  
16 courts affiliated with this Court, which means the District  
17 Court.

18 MR. KODOSKY: Yes, Your Honor.

19 THE COURT: So that's clear, and I'm not quite sure  
20 if what you're saying is that the by-appointment of Mr.  
21 Stastney, that court somehow is exercising control over the  
22 licenses. I'm not sure if -- unless there was some order  
23 saying they could do something with it or they proposed --  
24 because I will say to everyone here, to the extent anyone is  
25 trying to sell, use, or do anything that belongs to the Debtor

1 contents, belongs in this estate, I have told everybody and I'm  
2 going to reiterate, you proceed at your own risk.

3 MR. KODOSKY: Right.

4 THE COURT: Because I am pretty sure and I'm pretty  
5 certain that if this is the Debtor's assets, no one can do  
6 anything. I don't know if it's the Debtor's assets. That's  
7 number one. I don't know if it is or it isn't, but when the  
8 Debtor asserts that it is and someone decides that they're  
9 going to do something with it, proceed if you want, there's  
10 going to be consequences for that. But I have -- just because  
11 he's appointed a director doesn't mean that he's doing  
12 anything. "He" meaning the company that he's been appointed as  
13 director for. So I need to talk -- how is that an emergency?

14 MR. KODOSKY: Well, and Your Honor, one of the  
15 exhibits that we attached to our motion was this subscription  
16 agreement. They are out there raising money, essentially lying  
17 to investors. There's no mention of this litigation, there's  
18 no mention of any kind of question about the IP rights.  
19 They're raising money to compete against us and to fund  
20 litigation against us.

21 THE COURT: Well, that's all well and good. They can  
22 go raise whatever money they want, but I've read their reply  
23 and they said that they're telling potential purchasers of  
24 subscription that this stuff is in dispute.

25 MR. KODOSKY: And Your Honor, I picked up on that

1 line in their response, as well, and if you note, there's no --  
2 they're not citing to anything after that sentence.

3 THE COURT: Well, presumably, they're going to give  
4 me a copy of the subscription.

5 MR. KODOSKY: We've provided a copy of the  
6 subscription, Your Honor.

7 THE COURT: Well, that's their defense, and so it  
8 seems to me that notwithstanding what I thought I could just --  
9 you know, I thought I could proceed in a certain manner, which  
10 is look, okay, maybe this is an emergency, and given what I've  
11 seen in the pleadings, there is -- now there's a dispute.  
12 There's a -- the Debtors are saying Mr. Stastney, through  
13 SeeCubic B.V., is doing certain things that are basically the  
14 Debtor's assets, and that Mr. Stastney, individually, is doing  
15 action with respect to the Debtor's assets, and we need to stop  
16 him and SeeCubic B.V.

17 MR. KODOSKY: And SeeCubic, Inc.

18 THE COURT: And what are they -- what's their  
19 relationship? Are they out there doing things, too?

20 MR. KODOSKY: They are marketing and selling to  
21 potential clients the technology -- I've got Mr. Stastney's  
22 testimony where he describes it as, we are marketing and  
23 selling -- I can read you his --

24 THE COURT: Well, no, no. So you believe that Mr.  
25 Stastney is trying to -- well, not Mr. Stastney -- SeeCubic,

1 Inc. --

2 MR. KODOSKY: SeeCubic, Inc. Correct.

3 THE COURT: -- is trying to sell the license that  
4 belongs to the Debtor?

5 MR. KODOSKY: Absolutely.

6 THE COURT: And their position is, well, we haven't  
7 used anything that technically could be the Debtor's since  
8 2020.

9 MR. KODOSKY: Mr. Stastney, on June 23rd, at his  
10 deposition, stated, "SeeCubic, Inc. sells or markets the  
11 technology to potential clients on behalf of SeeCubic B.V." So  
12 SeeCubic, Inc. is working with SeeCubic B.V. They call it  
13 SeeCubic T.V., and together, they are --

14 THE COURT: Now we've got another player? Like I  
15 can't keep these names straight. SeeCubic B.V., SeeCubic,  
16 Inc., now we have SeeCubic T.V.?

17 MR. KODOSKY: And that's -- I don't even know that  
18 that's a real organization, Your Honor, but he described it at  
19 the June 29th hearing as SeeCubic B.V. and SeeCubic, Inc.  
20 working together to sell this licensing -- to sell the Philips  
21 Technology, essentially.

22 THE COURT: But this is what -- in my mind how this  
23 is working, and Mr. Colby, you'll be able to answer, too.  
24 Originally, and this is how I see it, which is why I don't know  
25 if I need any evidence because I may have enough to say what I

1 need to say. But originally as I see this, there was --  
2 somehow, there was -- Stream TV, Stream, started to develop  
3 this technology with engineers that came from Rembrandt. I  
4 have my own thoughts about that, but that's neither here nor  
5 there. And somehow, Rembrandt found out and they said, no,  
6 this is ours, and so they sort of fought it out and came to  
7 some agreement.

8 In the meantime, Stream, because it's Stream and  
9 whatever, they work out some agreement. And in the meantime,  
10 Stream's subs are authorized to use the license -- or I don't  
11 know how they got the license, because nobody has ever said to  
12 me where the license is from Stream to these other people. I  
13 haven't seen anything. All I recall from Mr. Stastney is  
14 that's how it's always been, but that doesn't help me. Doesn't  
15 help me to follow the flow of how the license flowed.

16 MR. KODOSKY: Your Honor --

17 THE COURT: I don't know, and nobody has given me any  
18 written documents, other than what I have from Rembrandt and  
19 Stream, nothing telling me how it got to these other people,  
20 other than that's how we always did it. That's not going to  
21 help me one bit, but nevertheless, getting that, you know, so  
22 one of -- according to this structure here, Ultra D Ventures is  
23 holding the license and they're 99.9 percent owned by Stream  
24 TV. Okay. And what Ultra D did with it, I don't know, and how  
25 they were able to do it, I don't know because I don't know what

1 license they had and how they got to hold a license, and what  
2 license they're holding.

3 I don't know. Nobody has put that into evidence. I  
4 haven't seen that. Now, if they have, I may have forgotten,  
5 and I could have, but I just never -- all I know is that's how  
6 we always did. Did what? I do not know.

7 Okay. So that's number one is trying to figure out,  
8 you know, that just because the Debtor comes in here and says,  
9 this is ours doesn't mean that I get to say, oh, well nobody  
10 can do anything, but it's disputed. It's disputed who this  
11 belongs to and until it's determined and the Debtor says it's  
12 ours, I don't know what to tell people.

13 Now, the other issue is, and I've heard -- you know,  
14 I've read their responses, and I was trying to come up with an  
15 analogy with my law clerks, should I use the house or not.  
16 It's complicated, but it seems to me -- and maybe I'm not --  
17 maybe I'm simple-minded, I don't know. I look at things very  
18 simply. You're building a house. You put a foundation in.  
19 The foundation uses Philips and Rembrandt. And Stream, from  
20 the testimony that I recall, Mr. Michaels said, from Rembrandt  
21 -- I think his name was Michaels -- that they fixed all --  
22 "they" meaning Stream -- fixed all the problems and improved  
23 the product, right?

24 So now you've got floor number one. So we've built  
25 up on floor number one. And then here comes more parties,



1 which is, I'm assuming, SeeCubic B.V. in the Netherlands, who  
2 then builds on top of that and starts putting their information  
3 in, and says, well now we've built our own floor number two,  
4 and so floor number two is ours. We haven't used floor number  
5 one, so this belongs to us and goodbye. Well, this is a whole  
6 house and so now I have to figure out who the heck owns this,  
7 and you can't -- the same way Stream can't tell Rembrandt and  
8 Philips, go away because they built on their foundation, I  
9 don't see how these other parties, absent some agreement that  
10 somebody is going to give to me, says that we've got to build  
11 on top of your house, and you agreed that we didn't owe you  
12 anything and we can go do whatever we want with it.

13 That's how I see this. I don't care what you guys  
14 can complicate it with this, that and whatever. It is that  
15 simple for this Court, okay? And so what I am looking at is  
16 what does that mean in terms of a TRO? What is somebody doing  
17 with respect to floor number one? If they're not doing  
18 anything with floor number one, then why are we here? And if  
19 floor number two involves floor number one, which is the  
20 Debtor, I know why we're here. And do I have to say to the  
21 people who built floor number two, whoa, stop, you're using  
22 floor number one, you don't just get to go out there and do  
23 whatever you want. You've got to recognize floor number one,  
24 which is why I don't understand why you guys aren't -- never  
25 mind. Because it's very simple.

1 And Mr. Colby, I will give you an opportunity.

2 I'm just trying to say to him, what's the emergency.

3 Is floor number two about to cave in? Is floor number one  
4 about to cave in because floor number two is taking stuff and  
5 not recognizing floor number one? What is the emergency? And  
6 that is what I'm trying to figure out. That's number one.

7 MR. KODOSKY: The concern is, Your Honor, is that  
8 having been appointed the director of SCBV, they are out  
9 approaching customers, putting the license completely at risk.  
10 If Philips essentially were to find out what they were doing,  
11 they could revoke our license and then every -- our business --

12 THE COURT: And the foundation crumbles and they  
13 all --

14 MR. KODOSKY: The foundation is gone at that point,  
15 Your Honor.

16 THE COURT: And everything crumbles.

17 MR. KODOSKY: And these are bankruptcy assets that he  
18 has -- with the fox in charge of the hen house over there, he  
19 has no right to be putting our license with Philips --

20 THE COURT: Well --

21 MR. KODOSKY: -- at risk.

22 THE COURT: -- let's put it this way. Whether it was  
23 Mr. Stastney who was the director or any -- it doesn't matter  
24 to me. I get you want to use the fox and the hen house because  
25 Mr. Stastney and Mr. Rajan are rivals. I get it. I get

1 exactly what happened. I know what happens, and I have my  
2 thoughts about both of them, okay? But that's neither here nor  
3 there, but they will be in whatever I have to write up, so you  
4 guys can rest assured I'm not saying anything that I'm not  
5 willing to put in writing, okay?

6           You know, but the bottom line is, you know, the  
7 bottom line is whether it's Mr. Stastney, whether it's a third-  
8 party, it doesn't matter to the Court who it is. The question  
9 is, are actions being taken that involves property of the  
10 estate, jeopardizes property of the estate, and I need to stop  
11 that from happening. Unless that is what's occurring, I don't  
12 see how I do a TRO. That's what I'm trying to figure out from  
13 the initial inquiry that I have to make, okay.

14           All right. Mr. Colby, you heard what my questions  
15 were, you tell me.

16           MR. COLBY: Thank you, Your Honor. I've got a couple  
17 of things for sure. First, in response to the question you  
18 just ended with, is this property of the estate? A couple of  
19 points of clarification. The Phillips' license and -- yeah,  
20 the Phillips' license, so the biggest part of the foundation,  
21 if you will, is not property of the estate. It is with the  
22 Dutch entities. They --

23           THE COURT: How did it get to them?

24           MR. COLBY: They are multiple levels down.

25           THE COURT: And do they have a license?

1 MR. COLBY: I'm sorry?

2 THE COURT: Do they have a license with Phillips?

3 MR. COLBY: Yes.

4 THE COURT: And when did they get that license?

5 MR. COLBY: That is the license that we've been  
6 talking about all along. Stream TV, the Debtor, has no license  
7 with Phillips.

8 THE COURT: Okay. So who has a license with  
9 Phillips?

10 MR. COLBY: The license with Phillips is with what  
11 we've been referring to as Co-op.

12 THE COURT: Okay.

13 MR. COLBY: I'm sorry, Ventures, which is if you look  
14 at the chart, it's the top of the right side of the page  
15 entity.

16 THE COURT: And who is the majority holder of  
17 Ventures?

18 MR. COLBY: It is held by, I believe, Technovative  
19 and Media Holdings Company.

20 THE COURT: So I thought it was -- the way this chart  
21 is looking, it's not looking like it's going to Technovative.  
22 Looks like --

23 MR. COLBY: Yeah. That line, that 99.9 percent line  
24 is a bit unclear. We didn't put this chart together. We're  
25 just relying on it but --

1 THE COURT: So if it's by Technovative and  
2 Technovative is a Debtor -- they're a Debtor here, are they  
3 not?

4 MR. KODOSKY: Yes, Your Honor.

5 MR. COLBY: Correct.

6 THE COURT: Okay.

7 MR. COLBY: So Ultra D Ventures has that Phillips'  
8 license.

9 THE COURT: Okay.

10 MR. COLBY: Okay. The -- just to address the house  
11 analogy, which I think is useful.

12 THE COURT: Oh, thank you. Because I struggle to  
13 come up with one that I thought was going to give me a --

14 MR. COLBY: Well, I think it's rough -- it's useful  
15 -- it's a useful structure and it's roughly right. Except I  
16 think some of the -- in the way you laid it out, some of the  
17 floors are reversed.

18 THE COURT: Okay.

19 MR. COLBY: So the important thing here, and this has  
20 been the subject of a lot of testimony in this court, is that  
21 the Phillips' license and then the other sort of big important  
22 piece of the IP at issue are the various pattens. Those exist  
23 in the Dutch entities. So at Ventures and below. In fact,  
24 most of the pattens are additional levels below.

25 THE COURT: So pattens -- who's -- they own the

1 pattens or pattens from someone else?

2 MR. COLBY: They own the pattens. Ultra D  
3 Cooperative, which is --

4 THE COURT: Owns the pattens.

5 MR. COLBY: Owns the pattens, correct.

6 THE COURT: Okay. But Ultra D is a 99 percent  
7 subsidiary of Technovative?

8 MR. COLBY: Of -- there are multiple Ultra D's. So  
9 if you notice --

10 THE COURT: I'm saying Tech -- Ultra D Ventures, the  
11 holder of the license?

12 MR. COLBY: Right. Ultra D -- I'm sorry, Your Honor.  
13 Yeah, is the holder of the license. Ultra D Cooperative holds  
14 the pattens. And it's actually written right in the box there.

15 THE COURT: Holds a new patten created by SeeCubic?

16 MR. COLBY: Right.

17 THE COURT: Okay.

18 MR. COLBY: And just to be clear, because again, this  
19 is a historical document. Not something we created. But the  
20 SeeCubic there is referring to the SeeCubic B.V., so the Dutch  
21 RND Research and Development entity.

22 THE COURT: Okay. Well, it seems to me that Ultra  
23 sold all of these companies, which is why I'm not understanding  
24 why everybody is fighting over Technovative. Is that Ultra D  
25 Ventures is the license that was given by -- you're saying

1 whole license. What license? The Phillips' license?

2 MR. COLBY: The Phillips' license is executed with  
3 Ultra D Ventures.

4 THE COURT: Okay. And the Phillips' license and that  
5 you're saying the pattens, they didn't include anything from  
6 Rembrandt?

7 MR. COLBY: So if I could just --

8 THE COURT: Go ahead. I'm sorry.

9 MR. COLBY: Yeah. And I'll get to Rembrandt. The  
10 Ultra D Cooperative holds the pattens. So -- and the pattens  
11 were sort of created by the research and development at  
12 SeeCubic B.V.

13 THE COURT: Okay.

14 MR. COLBY: Okay. So that's sort of that right hand  
15 side of the chart that you're looking at.

16 THE COURT: But they created it based on the license  
17 held by Ultra D Ventures?

18 MR. COLBY: Yeah. So they took that Phillips  
19 Technology and then they've built on it and they have their own  
20 pattens. So the point I wanted to get to there is if Phillips  
21 is the foundation, the first floor wasn't made by Stream TV  
22 Networks, Inc., the U.S. entity that is a Debtor. The first  
23 floor was made by the engineers in the Research and Development  
24 Group in the Netherlands.

25 THE COURT: Yes. But with companies that were at

1 least 99 percent owned by these Debtors?

2 MR. COLBY: Yes. Multiple levels down by the time  
3 you get to them.

4 THE COURT: But they are subs of the Debtors.

5 MR. COLBY: Yeah. Correct.

6 THE COURT: Okay. But somehow -- okay, so you're  
7 saying neither Stream TV nor Technovative had any kind of --  
8 which, you know, listen. Apparently from the testimony I've  
9 heard is that this was developed with engineers from Rembrandt.  
10 Are you telling me it wasn't?

11 MR. COLBY: So --

12 THE COURT: Yes? No?

13 MR. COLBY: I think it's a more specific answer than  
14 that. I think the situation with Rembrandt is that they had  
15 contributed certain components that had historically been used  
16 in the Ultra D technology. I think Mr. Michaels testified  
17 about a bordering issue. He referred to the shadow. He talked  
18 about liveliness of the image.

19 THE COURT: Counsel.

20 MR. COLBY: Yes?

21 THE COURT: Did the engineers, whatever company they  
22 were at, come from Rembrandt?

23 MR. COLBY: The Dutch engineers were predominately  
24 from the Phillips organization.

25 THE COURT: So the testimony then that they -- so the



1 testimony that I've heard was that they came from Rembrandt and  
2 that they brought it is not correct is what you're telling me.

3 MR. COLBY: I think --

4 THE COURT: I'm just trying to figure that out.

5 MR. COLBY: They're the majority of the technology  
6 here was Phillips developed Phillips engineers. Rembrandt  
7 claims that it made certain contributions either by licensing  
8 its technology and there may have been some people in common  
9 there where there was an NDA.

10 THE COURT: Counsel, I understood to be more than  
11 some people in common. But that's neither here nor there. Go  
12 ahead.

13 MR. COLBY: Yeah.

14 THE COURT: So you believe that this is totally  
15 Phillips license that was held by Ultra D that then Ultra D  
16 Cooperative improved upon and created -- and holds a patten,  
17 correct?

18 MR. COLBY: Correct.

19 THE COURT: Okay. That is the bulk of the  
20 terminology. I would also say we're not -- in terms of the  
21 urgency here just to address a couple of things that came up to  
22 Mr. Kodosky's comments.

23 The -- he referred to just having learned that  
24 Phillips isn't giving out anymore licenses. And in terms of  
25 whether or not that is new information, and this is -- I'll

1 just make a proffer. I know it's not in evidence yet. That's  
2 something that their claim is based on. A communication that  
3 they received in the middle of August and we're now in October,  
4 so that undermines the immediacy and urgency of this.

5 But perhaps more importantly, if it ends up coming  
6 into evidence, the substance of the communication is -- doesn't  
7 contain whatso ever any threat of losing the license. In fact,  
8 it states that the existing license will not change.

9 THE COURT: Okay. And they sent that to who by the  
10 way?

11 MR. COLBY: To Mr. Robertson.

12 THE COURT: Who's Mr. Robinson (sic)?

13 MR. KODOSKY: He's --

14 MR. COLBY: So and then --

15 THE COURT: Okay. So you believe there's no  
16 immediate threat?

17 MR. COLBY: Yeah. And so -- actually, there are a  
18 number of other reasons if I might take a couple more minutes  
19 of your time, Your Honor, for why there's --

20 THE COURT: I'm the one asking the questions --

21 MR. COLBY: Yeah.

22 THE COURT: -- and I kind of steer you off. So I'm  
23 going to let you try it. I'm sure you have a little -- you  
24 know, you have your own roadmap, so go right ahead.

25 MR. COLBY: Thank you. The idea that a TRO is

1 necessary because the Debtors just learnt of ongoing business  
2 development activities that are taking place at the Dutch  
3 entities is undermined by the fact that those issues that are  
4 raised in this TRO motion have been addressed in this -- in the  
5 bankruptcy proceeding since day one. Mr. Rajin and his first  
6 day declaration, which is filed on the docket, said exactly  
7 that. That was in March. The Debtors filed multiple motions  
8 regarding the return of assets and other things in the early  
9 days of the bankruptcy. The same things that they're here  
10 complaining about now trying to seek a TRO.

11 THE COURT: Okay. Now, let me ask you because you  
12 know I'm going to interrupt you.

13 MR. COLBY: Yeah?

14 THE COURT: In the Rajan declaration or any of the  
15 pleadings did they mention that the -- either SeeCubic, Inc.,  
16 or SeeCubic B.V. or any of these -- or Mr. Stastney, were  
17 trying to obtain subscriptions or license or sublicense this  
18 technology? Was that mentioned?

19 MR. KODOSKY: He says, Your Honor --

20 MR. COLBY: It directly -- he says that --

21 THE COURT: And where is he saying this? Just tell  
22 me.

23 MR. COLBY: This is -- I'm looking at paragraph --

24 THE COURT: I mean, this is already in the record.  
25 These are already in the record.

1 MR. COLBY: Yeah, that's right.

2 THE COURT: It's not anything you guys -- but I can  
3 take judicial notice of what's filed.

4 MR. COLBY: Right.

5 THE COURT: Okay. Hold on.

6 MR. KODOSKY: And I'm sorry, Your Honor. I didn't  
7 catch what document is being read from.

8 MR. COLBY: This is Mr. Rajan's first day  
9 declaration.

10 THE COURT: Hold on.

11 MR. COLBY: We resubmitted it as part of our filing  
12 today, but it's also on the docket historically.

13 THE COURT: Counsel, just hold one second.

14 MR. COLBY: Sure.

15 THE COURT: All right. So you -- you're saying that  
16 on the docket at docket entry what?

17 MR. COLBY: Let's see, 48 in the bankruptcy.

18 THE COURT: I'm trying to figure out why I can't get  
19 on there, and I have no clue why not.

20 MR. COLBY: I'm happy to hand up a copy as well, Your  
21 Honor.

22 THE COURT: Would you and counsel share that with  
23 opposing counsel and then hand it up so we all are sure that I  
24 have the --

25 MR. KODOSKY: Where are you reading from?

1 MR. COLBY: I was about to go to paragraph 93.

2 THE COURT: Hold on. Hold on. I don't have it and  
3 I'm just going to give up.

4 MR. COLBY: 93.

5 MR. KODOSKY: We don't need this marked, right? You  
6 just want a copy?

7 THE COURT: No. He's just -- is there any --  
8 counsel, give us one second.

9 MR. COLBY: Sure.

10 THE COURT: All right, counsel. We had a little bit  
11 of technology.

12 MR. COLBY: No worries.

13 THE COURT: All right. So what page do you want me  
14 to go to?

15 MR. COLBY: I'm looking at paragraph 93, which is  
16 page 25 of 31 of the ECF page numbers at the top. I guess it's  
17 25 on both.

18 THE COURT: 25 of 31 you said?

19 MR. COLBY: Yeah.

20 THE COURT: I'm there.

21 MR. COLBY: Okay. And there Mr. Rajin says that,  
22 "The Receiver has allowed SeeCubic to retain and even  
23 take possession of certain assets, even after  
24 issuance of the chancery court status quo order.  
25 He's allowed SeeCubic to use and demonstrate the

1 Debtor's technology for its own benefit, even though  
2 the Debtor has legal title to the intellectual  
3 property and has not given license to SeeCubic, any  
4 license to SeeCubic, that would allow it to do so."

5 That is absolutely the same allegation. That is the  
6 core of the issue.

7 THE COURT: Well, no. It says to use and  
8 demonstrate. I understood there was -- like they were going to  
9 license it to people. And then Mr. Stastney said at that  
10 hearing, I'm going to -- we going to license it to people. And  
11 this isn't showing and demonstrating it. There was some  
12 subscriptions. My question is, where does it say that he said  
13 that they were trying to issue subscriptions or to sublicenses?  
14 Is that anywhere in here?

15 UNIDENTIFIED SPEAKER: It's not, Your Honor.

16 THE COURT: No. That was my specific question. Tell  
17 me where does it say subscriptions and sublicense?

18 MR. KODOSKY: It doesn't specifically reference  
19 subscriptions.

20 THE COURT: Does it --

21 MR. KODOSKY: There's --

22 THE COURT: Does he say anything about sublicensing?  
23 He says to use and demonstrate, demonstrate, use and  
24 demonstrate. I'm not sure use and demonstrate equal  
25 sublicense.

1 MR. COLBY: There's also a motion that was filed --

2 THE COURT: Okay.

3 MR. COLBY: -- on the docket. It is docket number

4 76.

5 THE COURT: Can you hold one second, counsel?

6 MR. COLBY: Sure.

7 THE COURT: This -- can I take a five -- just a two-  
8 minute recess?

9 MR. COLBY: Yeah, of course.

10 THE COURT: This is my grandson's school. Court is  
11 in recess.

12 (Recess taken)

13 THE BAILIFF: All rise.

14 THE COURT: Please be seated. Okay. I'm sorry. Go  
15 ahead.

16 MR. COLBY: Absolutely, Your Honor. So I think where  
17 we left off, as you were asking whether or not the Debtors had  
18 previously identified this potential issue that's now the basis  
19 of their TRO motion, and specifically whether or not the  
20 potential SeeCubic licensing of, or sub licensing of Phillips  
21 had ever been mentioned before. And so I've got a few  
22 examples.

23 I started to refer to one and I'll finish the thought  
24 on that, although there's an even better one. The one I was  
25 discussing when we took the break was Docket Number 76, which

1 we've -- it's on the docket, but we've also just emailed it to  
2 debtors counsel, in which debtors stated in a motion addressing  
3 a claimed stay violation.

4 They said,

5 "Mr. Colby further indicated he was advising his  
6 clients to continue to violate the stay, arguing a  
7 novel theory that his client had created enhanced  
8 products, and they were entitled to keep those,  
9 despite having no license from the Debtors for such  
10 technology, and in violation of two existing licenses  
11 to the Debtors; one from Phillips and the other from  
12 Rembrandt 3D Holdings, Ltd. for underlying technology  
13 upon which Streams technology is based."

14 So that's one example. Your Honor, Mister --

15 THE COURT: The Debtor -- they were encouraging --  
16 you lost me.

17 MR. COLBY: Sure.

18 THE COURT: Go back to the beginning of that.

19 MR. COLBY: Sure. They claimed -- and this is a  
20 statement that I'm reading, but obviously don't agree with --

21 MR. KODOSKY: I'm sorry. What page are you reading  
22 from?

23 MR. COLBY: I'm reading from page 18. "Mr. Colby  
24 further indicated he was advising his client to continue to  
25 violate the stay, arguing a novel theory that his client had



1 created enhanced products. And they were entitled to keep  
2 those, despite having no license from the Debtors for such  
3 technology. And in violation of two existing licenses to the  
4 Debtors; one from Phillips and the other from Rembrandt 3D  
5 Holdings, Ltd. for underlying technology upon which Streams  
6 Technology is based." So same claim they're making here now in  
7 support of the TRO they made in --

8 THE COURT: And their claim is --

9 MR. COLBY: April.

10 THE COURT: This is what I'm boiling the claim down  
11 to. I see the claim that what the emergency is, is that Mr.  
12 Stastney testified at some hearing in September, that one, he  
13 was going to -- that he, meaning BV, was going to sublicense,  
14 and two, there was something about some subscription.

15 MR. COLBY: Right.

16 THE COURT: Those are the only two things that I see  
17 as a basis.

18 MR. COLBY: Okay. And I can address that issue.  
19 There is no -- that is not new.

20 THE COURT: What's not new, the subscription or the  
21 sub license?

22 MR. COLBY: The sub license is not new.

23 THE COURT: Okay.

24 MR. COLBY: It's not new at all.

25 THE COURT: Okay.

1 MR. COLBY: The June 29th hearing. So June 29th, at  
2 page 20. Mr. Alexander asked Mr. Stastney, "And SeeCubic  
3 Inc.'s business plan is premised on being able to license the  
4 Phillips tech?" "Answer: Yes."

5 THE COURT: Okay.

6 MR. COLBY: And then he went on to ask about and Mr.  
7 Stastney testified about NDAs with potential clients who are  
8 interested in that technology. So the idea that that was a  
9 long-term business plan, and that there were some initial steps  
10 being taken is not new.

11 THE COURT: Well, is it new that he's actually doing  
12 it? That's the question. The question --

13 MR. COLBY: No, Your Honor.

14 THE COURT: And that's what there's -- that's what  
15 I'm saying.

16 MR. COLBY: I understand.

17 THE COURT: Is he actually -- the fact that he says  
18 he's going to, who cares what somebody's going to? And that's  
19 all I want to know from Mr. Stastney.

20 MR. COLBY: Exactly, Your Honor. And that's why the  
21 follow-up question is important, because it asked about whether  
22 or not there were existing nondisclosure agreements with  
23 potential customers who are interested in that technology? In  
24 other words, is it happening now? Is this happening now?

25 THE COURT: And did he say yes or no?

1 MR. COLBY: He said yes.

2 THE COURT: Okay.

3 MR. COLBY: That was in June.

4 THE COURT: Okay.

5 MR. KODOSKY: May I address that, Your Honor?

6 THE COURT: No.

7 MR. KODOSKY: Okay.

8 THE COURT: You'll get your turn.

9 MR. COLBY: The PPM, the private placement memo, the  
10 fundraising memo, it's from 2022.

11 THE COURT: Okay.

12 MR. COLBY: 2022. And there's no argument it was  
13 recently discovered.

14 THE COURT: Well, are they --

15 MR. COLBY: Because it was --

16 THE COURT: -- doing anything with it?

17 MR. COLBY: It's the basis of the TRO claim, Your  
18 Honor.

19 THE COURT: Counsel.

20 MR. COLBY: It is not new.

21 THE COURT: New. The fact that I may tell you I'm  
22 going to do something may not be new. The fact that you  
23 actually --

24 MR. COLBY: Right.

25 THE COURT: -- did it is what I -- and that's what I

1 need to hear.

2 MR. COLBY: Right.

3 THE COURT: Did they actually do it? Did they or did  
4 they not? And that's what -- that's what I'm saying. And it  
5 may be that they did.

6 MR. COLBY: Understand.

7 THE COURT: And that's why I'm saying the bottom line  
8 is they're saying Mr. Stastney went to this hearing, and he  
9 says, I'm doing it.

10 MR. COLBY: Right. So --

11 THE COURT: And that's all I need to hear.

12 MR. COLBY: Okay. So the June 29th transcript, the  
13 question and answer between Mr. Alexander and Mr. Stastney,  
14 that addresses that. That's not new.

15 THE COURT: Okay.

16 MR. COLBY: That's not new.

17 THE COURT: Okay.

18 MR. COLBY: As to your perhaps more substantive  
19 question, right. Putting aside that exigent circumstances  
20 element, is it happening? Is it something that you need to  
21 worry about? Well, that's where the decision of the Dutch  
22 court is important.

23 So the decision of the Dutch court initially put an  
24 independent director in the -- so first of all, just backing  
25 way up. There was also testimony, I believe that when the

1 receiver under the Chancery courts auspices was in place, that  
2 his job was to, among other things -- and I don't have to cite  
3 for this, we can pull it up, but I believe there was testimony  
4 that his job was to sort of traffic cop projects. And he did.  
5 And that was --

6 THE COURT: And when he traffic cop he consulted with  
7 Stream and he consulted --

8 MR. COLBY: Correct.

9 THE COURT: -- with BMV. So I get that.

10 MR. COLBY: So yes, it's happening. And they've  
11 known it's happening back to the receiver days.

12 THE COURT: So who's the traffic cop now?

13 MR. COLBY: Okay. Good question. So in the Dutch  
14 proceedings, initially there was an independent director  
15 appointed.

16 THE COURT: And he resigned. I know.

17 MR. COLBY: He resigned. You've got that, right?

18 THE COURT: Uh-huh.

19 MR. COLBY: And so now the Dutch court weighing the  
20 remaining two options, Mr. Stastney or Mr. Rajan felt that the  
21 -- I'm sorry, Mr. Park was put up, not Mr. Rajan -- felt that  
22 the better choice that was in the best interest of the Dutch  
23 entities and preserving the value of the Dutch entities, was  
24 Mr. Rajan. And here's the important --

25 THE COURT: You're not Mr. Rajan.

1 MR. COLBY: I'm sorry. Mr. Stastney.

2 THE COURT: I know.

3 MR. COLBY: Of all the people to confuse. Was Mr.  
4 Stastney.

5 THE COURT: Maybe from your point, but never mind.  
6 Again, I digress. I need to stop. Go ahead.

7 MR. COLBY: Okay. And what's important about that  
8 decision is it also has a protocol in place for how to fulfill  
9 the responsibilities of that director position. And it --

10 THE COURT: What does it say? Do I have that? Are  
11 you going to -- is that --

12 MR. COLBY: We submitted it. It's --

13 THE COURT: Because, you know, I'm trying not to, you  
14 know --

15 MR. COLBY: I understand. And I think that this  
16 falls clearly within what the Court can take judicial notice  
17 of. This is the decision of the Dutch court also references in  
18 orders that the protocol be followed. They're two separate  
19 documents, but it's all part of the same decision.

20 And it says,

21 "First, the independent director is impartial and  
22 acting under the supervision of the Dutch court. The  
23 court is supervising us. Second, the independent  
24 director acts in the interest of the Dutch companies.  
25 The continuity of its business, taking into account

1 the interests of all the stakeholders."

2 And I'm only reading the highlights, not the entire  
3 thing word for word.

4 "The companies allocate their human resources and R&D  
5 facilities on internal projects, building blocks,  
6 external projects, proof of concepts and in due  
7 course support and purchase orders, support in  
8 business development and strategic discussion partner  
9 on the go to market strategy and customer  
10 fulfillment.

11 "The companies will continue pending internal  
12 projects and external projects and take on new  
13 external projects proposed by any of the parties, if  
14 considered to be in the interest of the companies.  
15 The companies have to be the beneficiaries of all  
16 projects."

17 So that alone completely undermines the argument that  
18 there could be some irreparable harm here absent a TRO from  
19 this Court. It says, "And under the supervision of the court  
20 that any projects, any work involving those technologies needs  
21 to be done for the benefit of those Dutch entities, those Dutch  
22 entities are the property of the estate multiple levels down."  
23 And so there is no potential harm from this arrangement to the  
24 estate, to the Debtors.

25 THE COURT: That's assuming counsel, because it says

1 interest of everyone involved. What is it that they're  
2 proposing to do that -- and I need to hear that. What is it  
3 that everybody claims they're going to do?

4 MR. COLBY: Right.

5 THE COURT: And if what their claim they're going to  
6 do involves the interest of the Debtor, that's property of the  
7 Debtor's estate, which you said is -- right now, right now on  
8 the books and records of both -- of at least Technovative the  
9 owners are who they are, okay. Until something's done  
10 otherwise, we are where we are today. And so what I'm hearing  
11 and I am -- I hope you guys probably understand what I'm  
12 saying, I just want to hear, because you -- somebody told me  
13 this was Mr. Stastney saying it at a hearing.

14 MR. COLBY: Yeah.

15 THE COURT: Do we have a transcript from the hearing?  
16 And if we don't have the transcript, Mr. Stastney needs to come  
17 over here and tell me exactly what his intentions are --

18 MR. COLBY: Right.

19 THE COURT: -- for me to determine whether this is -  
20 - a TRO is warranted? And if I find that it's not, it's not,  
21 but it'll be pretty clear that I want him to tell me what he's  
22 going to -- that's all I need.

23 MR. COLBY: Understood. And I appreciate that, Your  
24 Honor. I think, you know, I submit -- we submit, as you know,  
25 that the Court can actually decide this on a number of basis



1 without even getting to evidence. But if you feel that you  
2 have to know exactly what the projects are, we can put on that  
3 evidence.

4 THE COURT: No. I don't want to know what the  
5 projects are.

6 MR. COLBY: Okay.

7 THE COURT: What they have posited is that the basis  
8 for the TRO is based on what Mr. Stastney --

9 MR. COLBY: Right.

10 THE COURT: -- told the court he was going to do.

11 MR. COLBY: Right.

12 THE COURT: And presumably, nobody's given me a  
13 transcript, because you're saying that's not what he said. And  
14 they're saying that's what -- I don't know what he said.

15 MR. COLBY: Interestingly, and I was surprised to  
16 hear this, I suspect the Court may be as well. They don't do  
17 transcripts of the court proceedings in the Netherlands.

18 THE COURT: Well, is it recordings or something?  
19 Nobody writes anything?

20 MR. COLBY: You can request a summary of it, but it's  
21 not transcribed.

22 THE COURT: So then how am I supposed to know what  
23 Mr. Stastney said?

24 MR. COLBY: Well, that may mean that you need to hear  
25 it firsthand. But I think for the reasons that I just

1 identified, I think that there's ample basis to deny the  
2 request for a --

3 THE COURT: No, it's not. Because they have said, he  
4 went and told the Dutch court he was going to proceed in a  
5 specific fashion. And unless somebody tells me that that court  
6 said, oh, that's fine, you can do it. I need to figure out if  
7 what he intends to do in any way will be -- cause irreparable  
8 harm to the estate, and it may be that it doesn't.

9 MR. COLBY: Sure.

10 THE COURT: But I don't know that.

11 MR. COLBY: So Your Honor, I think that the fact that  
12 the Debtor has the burden here --

13 THE COURT: Then

14 MR. COLBY: -- plays into the --

15 THE COURT: Then they need to -- they were about to  
16 call Mr. Stastney when I said, whoa, we have to have some  
17 discussion. So let's cut -- we don't need all this other well,  
18 he said, she said, and they're the -- and Phillips says this  
19 and Phillips -- just tell me what he plans to do. And what did  
20 he say? Presumably he's going to tell me the same thing he  
21 told them. And I don't know if he is, I would assume he is. I  
22 have no basis to believe he wouldn't.

23 MR. COLBY: Right. Well --

24 THE COURT: And then I can tell from that.

25 MR. COLBY: Okay. I can make a proffer and, like,

1 Your Honor, you may have to hear it for yourself. But you  
2 know, we submitted a declaration for Mr. Stastney. And he says  
3 SeeCubic has not sublicensed any Ultra D technology, including  
4 but not limited to any technology covered by Phillips'  
5 intellectual property rights to any third party. SeeCubic  
6 itself does not intend to sublicense -- does not currently  
7 intend to sublicense any Ultra D technology.

8 THE COURT: Current. That's the word currently.

9 MR. COLBY: Right.

10 THE COURT: Okay.

11 MR. COLBY: That's all you can get a TRO for.

12 THE COURT: Right.

13 MR. COLBY: You can't get a TRO for something  
14 somebody might think they want to do in the future.

15 THE COURT: Exactly.

16 MR. COLBY: Right. You know, SeeCubic itself does  
17 not currently intend to sublicense any Ultra D technology,  
18 including but not limited to any technology covered by  
19 Phillips' intellectual property rights to any third party.  
20 So --

21 THE COURT: We have Phillips -- counsel, see this is  
22 this is what I'm not understanding. Phillips had what it had.  
23 Everybody took the Phillips license and they developed it.  
24 They added things to it. We had Mr. Michael say that they --  
25 from Rembrandt saying that the people from Stream from BVD

1 whoever it is SeeCubic, whoever the entities were. They took  
2 the Phillips basic license and improved it. So of course  
3 Phillips that -- that's not my question.

4 Are they going to license sublicense the improved  
5 Phillips license? Because what Phillips gave people was the  
6 ability. So that's different in my mind. That's different in  
7 my mind, Counsel, because there is no doubt that the Phillips  
8 license is not what is existing today, the Phillips original  
9 license. And so I need to know what the intentions are with  
10 respect to the improved Phillips license.

11 MR. COLBY: Okay.

12 THE COURT: And that's what I want to know. So this  
13 semantics about the -- nah, no, no, no. That's not what I want  
14 to hear. I want to know what the intentions are with respect  
15 to the license that currently exist.

16 MR. COLBY: Your Honor, and I will apologize in  
17 advance because I'm not an intellectual property attorney.

18 THE COURT: Well, neither am I.

19 MR. COLBY: But I think -- but I think that two  
20 things; one, the reason why we reference the Phillips license  
21 is because that is front and center in the purported bases for  
22 the TRO. We're responding to what they say the exigent  
23 circumstances are. I'm not playing semantics. We're  
24 responding to the Debtor's claim, right. Mr. Kodosky stood up  
25 here and said this is a threat to the Phillips license.

1 THE COURT: Well --

2 MR. COLBY: They can't sublicense. Now, they're  
3 wrong about that.

4 THE COURT: I don't know about that. I have --

5 MR. COLBY: But that's facts.

6 THE COURT: Now, I don't know how that has any -- the  
7 fact that Phillips -- and I will say this. What the fact that  
8 Phillips not want to sublicense have to do anything with the  
9 Debtor?

10 MR. COLBY: So

11 THE COURT: Or anybody?

12 MR. COLBY: So and I think this is where perhaps my  
13 not being an intellectual property lawyer may come into play.  
14 But I think if you're going to license the technology as it  
15 currently exists, you may be licensing your own intellectual  
16 property that you layered on top, right.

17 THE COURT: Uh-huh.

18 MR. COLBY: But I think you also need to sublicense  
19 the underlying technology developed by Phillips.

20 THE COURT: I get that.

21 MR. COLBY: Okay.

22 THE COURT: But that's not my concern.

23 MR. COLBY: Okay. Now, I --

24 THE COURT: My concern --

25 MR. COLBY: I apologize, because I'm misunderstanding

1 your concern.

2 THE COURT: No. My concern is, I don't care about  
3 the Phillips license.

4 MR. COLBY: Okay.

5 THE COURT: Because the Debtor doesn't own the  
6 Phillips license. Phillips owns the Phillips license. Would  
7 the dispute from my point of view --

8 MR. COLBY: Yep.

9 THE COURT: -- is there has been improvements to the  
10 Phillips license, and the dispute is who owns --

11 MR. COLBY: Got it.

12 THE COURT: -- the improved license?

13 MR. COLBY: Okay. Well, I --

14 THE COURT: And so that's why I just need to know.

15 MR. COLBY: Got it. I will -- so there's two types  
16 of intellectual property at play. You have the license, which  
17 is the agreement -- you know, the agreement to use somebody  
18 else's technology, but then you have -- there is -- I'm not  
19 sure there's such thing as an improved license. I think you  
20 have the license, and then you have your stuff, right. That's  
21 a very technical term, but you have your --

22 THE COURT: Yeah. Your stuff.

23 MR. COLBY: -- intellectual property and if your  
24 question is, do we -- does SeeCubic intend to license the Dutch  
25 entities stuff, right? Their improvements, their patents or

1 whatever, then I will reread that sentence with a different  
2 emphasis.

3 THE COURT: Okay.

4 MR. COLBY: SeeCubic has not sublicensed any Ultra D  
5 technology.

6 THE COURT: Okay.

7 MR. COLBY: Including the Phillips license.

8 THE COURT: Okay.

9 MR. COLBY: SeeCubic itself does not currently intend  
10 to sublicense any Ultra D technology. Okay.

11 THE COURT: Okay.

12 MR. COLBY: Including the Phillips license. Now,  
13 there are these ongoing, you know, business developmental  
14 efforts that I talked to you about before. That is Ultra D.  
15 And Ultra D, in the -- and that is the SeeCubic BV. And in the  
16 course of those ongoing projects, you know, they may -- and  
17 these are developmental projects, this is not selling things  
18 out into the market. This is proof of concept stuff. You  
19 know, they may need to give user licenses or things like that  
20 to others, but they're not licensing the technology for  
21 somebody else to go out and manufacture a product that includes  
22 the --

23 THE COURT: And when you say user license, user  
24 license for what?

25 MR. COLBY: It's sort of like, if you buy -- I think

1 we made this analogy. It's like, if you buy a copy of  
2 Microsoft Word, it just allows you as a user to use it. So for  
3 -- there was actually lots of testimony about this earlier in  
4 the summer. For a product, you know, a demo model, like Mr.  
5 Michaels gave us a little tutorial about this. For a demo  
6 model of something, you know, you give it to somebody to try  
7 out. You have to give them one of those user licenses so they  
8 can test it out.

9 THE COURT: Well, that's limited for that -- only to  
10 test it for a better word.

11 MR. COLBY: Correct. There's no right now nobody is  
12 at a stage, I think this has been part of our point all along,  
13 where they can just start manufacturing products for the  
14 commercial market that includes all this technology. That's  
15 just off in the distance. You might have potential partners  
16 who might want to do that someday that are trying to figure out  
17 if it works. So there are no exigent circumstances. That's  
18 the lay of the land.

19 THE COURT: Now what about the subscriptions? What  
20 is it that they're telling people in the subscriptions?

21 MR. COLBY: Oh, the PPMs. Yeah. So that's what I  
22 was referring to before. That is broadly speaking. As you've  
23 heard, there are a couple of different visions for how this  
24 technology might be brought to market, right. You've heard all  
25 summer from the Debtors about the plan to manufacture, you



1 know, many millions of TVs. And you heard from Mr. Stastney in  
2 June, that they felt that couldn't be economically done. And  
3 so the idea was to eventually license the technology to people  
4 who are actually good at manufacturing TVs, right, rather than  
5 try to compete against LG by making your own TVs.

6 THE COURT: I don't remember him saying that, but go  
7 ahead.

8 MR. COLBY: He did.

9 THE COURT: Okay.

10 MR. COLBY: And that sort of brings me back to the  
11 subscription agreements and those sorts of things. There's  
12 nothing new there. That broad concept of how the business, you  
13 know, that vision for the business has been out there. The  
14 subscription agreements that they refer to are from 2022.  
15 2022.

16 THE COURT: So there are -- so this is what I want to  
17 know. What was said at the hearing that made whatever -- I  
18 don't know, because I don't know what Mr. Stastney said --

19 MR. COLBY: Correct. Correct.

20 THE COURT: -- at the hearing that made those  
21 potentials actuals. And that's what they're saying to me.

22 MR. COLBY: Yeah.

23 THE COURT: He said he's actually going to do this,  
24 or he's actually doing it.

25 MR. COLBY: So there may be two things at play here.

1 One, I don't believe that the recitation of what Mr. Stastney  
2 said at the hearing, as it's recited in the declarations from  
3 Mr. Rajan and Mr. Robertson. I just don't think those are  
4 accurate.

5 THE COURT: Okay.

6 MR. COLBY: Okay.

7 THE COURT: But we don't know if they are or aren't  
8 because we don't have a recording. And if they were there,  
9 that's a whole different story. Because if they said they  
10 personally heard it, then it's going to be their word versus  
11 Stastney's word and I got to figure out who's telling what.

12 MR. COLBY: Right.

13 THE COURT: And it's not even who's telling what,  
14 it's that, you know, you -- I hate to say this, because this is  
15 just so cliché. It's like the elephant. You standing in the  
16 back, it's his tail. You standing in the front, it's his ears.

17 MR. COLBY: Right.

18 THE COURT: But nobody is not telling me who is the  
19 whole elephant. And I've got to figure out who the whole  
20 elephant is, because I see the elephant.

21 MR. COLBY: Sure.

22 THE COURT: I don't see the parts.

23 MR. COLBY: And there may be like, Your Honor, you  
24 asked about the subscription agreements, and there may be kind  
25 of a compression of time here. So and I don't think it's not

1 any secret because Mr. Stastney testified about these kind of  
2 long term visions for the project here in this court. Okay.  
3 But that long-term plan that doesn't warrant a TRO.

4 THE COURT: Unless he's actually implementing the  
5 long-term plan.

6 MR. COLBY: And that's where the current projects,  
7 that's the state of play. They are on that step of that long-  
8 term plan. That step is, let's figure out if we can build this  
9 thing and it works and the customer is like, right.

10 THE COURT: I get that.

11 MR. COLBY: Like a potential partnership. You know,  
12 you bring your whatever to the table, we bring ours and see if  
13 we can make something good. Right. So that's where that is.  
14 That's it. That's all.

15 THE COURT: So they're -- so what you're saying is  
16 nobody's out here saying give us money, and we'll give you some  
17 entry, because I'm assuming that's what the subscription is.  
18 Because then I will tell you if that's what they're doing, and  
19 not disclosing that this is a disputed ownership, I would be  
20 concerned because -- for two reasons. If you're telling people  
21 it's disputed, you're telling them.

22 MR. COLBY: Right.

23 THE COURT: But if you're not and the Debtor knows  
24 and they don't say anything, and eventually as the Debtors, I  
25 don't want anybody coming back here with a claim against the

1 Debtor. So that's where I'm at.

2 MR. COLBY: Okay.

3 THE COURT: And it may be easy to address if that's  
4 what they're actually doing with very limited, this is what you  
5 need to do.

6 MR. COLBY: So --

7 THE COURT: Okay.

8 MR. COLBY: -- the subscription agreement, right.

9 For example, again, no surprise. It's from 2022. Okay.

10 Incidentally, it was from a period of time when --

11 THE COURT: But you know what, let's just get some  
12 testimony in. Because you're telling me I have already said --

13 MR. COLBY: Well, Your Honor --

14 THE COURT: -- that I need some evidence. Now you  
15 guys can argue all you want. We're going to get to the  
16 evidence so you can talk or you can put the evidence in, or you  
17 can allow them to put the evidence in and you cross examine.

18 But I am telling you, I cannot make a decision  
19 without first getting evidence. You're saying look at -- and I  
20 -- and every time you tell me something I said well, I need to  
21 know. I need to see.

22 MR. COLBY: Sure.

23 THE COURT: And without evidence I can't do that. So  
24 I get your point. You can make all the arguments you want.  
25 But at the end of the day, I need some evidence. So you guys

1 can do what you want, you can waste your time. I'm telling  
2 you, you only getting -- you know, I'm going to have a certain  
3 time I'm going to start not being able to function here.

4 MR. COLBY: Understand, Your Honor. So maybe I'll  
5 just finish up then by -- just to finish the thought on the --

6 THE COURT: Subscription.

7 MR. COLBY: -- subscription.

8 THE COURT: This is from 19 -- from 2022.

9 MR. COLBY: '22. And it is in fact, it was admitted  
10 in the hearing on the Hawk motions. It is at ECF 264. I  
11 believe the actual -- I'm sorry, 264 is the list.

12 THE COURT: Okay. You said ECF --

13 MR. COLBY: Yes.

14 THE COURT: -- 264.

15 MR. COLBY: Yes.

16 THE COURT: So the actual subscription is part of  
17 that is listed there, or is it actually --

18 MR. COLBY: So yeah. So there's two points. In the  
19 this is not news category. It was on the Debtor's exhibit list  
20 at 264 in June.

21 THE COURT: Uh-huh.

22 MR. COLBY: Okay. And then, secondly, it was among  
23 the documents that the parties have agreed could be admitted  
24 into evidence.

25 THE COURT: Okay. And that's fine and well, but the

1 question is, what's going on with it now? I don't care what  
2 it's dated. I want to know what's going on now?

3 MR. COLBY: It describes the sort of long-term goal  
4 for the technology.

5 THE COURT: I get it.

6 MR. COLBY: And that's still what's going on now.

7 THE COURT: But my question --

8 MR. COLBY: Yeah.

9 THE COURT: -- Mr. Colby, is are they selling  
10 subscriptions? I don't care what it said. If it was in the  
11 court yesterday.

12 MR. COLBY: Just to be clear --

13 THE COURT: The question is what are they doing, if  
14 anything?

15 MR. COLBY: Just to be clear what we're talking about  
16 in terms of subscription agreements. Because I hear it and I  
17 think, technology, but it's -- this is --

18 THE COURT: No, no.

19 MR. COLBY: Yeah. This is --

20 THE COURT: That's not what I think.

21 MR. COLBY: -- investors.

22 THE COURT: I think an investment.

23 MR. COLBY: Right. Yeah. Exactly. Yeah.

24 THE COURT: That we're selling investment interest to  
25 third parties.

1 MR. COLBY: Yeah.

2 THE COURT: Or outsiders.

3 MR. COLBY: Just that's investment interest in  
4 SeeCubic Inc. In my client.

5 THE COURT: I get it.

6 MR. COLBY: Okay. Not to any -- okay.

7 THE COURT: But counsel, they are -- I would think  
8 that Mr. Stastney would know better than to go try to sell  
9 interest in any one of the two debtors.

10 MR. COLBY: Right.

11 THE COURT: My question is, is when the subscriptions  
12 are being -- if they're being sold, what is it that the parties  
13 believe -- what is it that the parties believe they are  
14 investing in?

15 MR. COLBY: Oh, sure.

16 THE COURT: What's the representations that are --  
17 because this is my concern.

18 MR. COLBY: Yeah.

19 THE COURT: If there's a subscription out there that  
20 says we're selling and we believe you should invest because we  
21 have --

22 MR. COLBY: Got it.

23 THE COURT: -- this technology, and it's ours, and  
24 this is all that we're doing. And the Debtor knows about it,  
25 or anybody who has an interest and says -- doesn't say

1 anything, let these people come in and invest.

2 MR. COLBY: Yeah.

3 THE COURT: And later it turns out it belongs to the  
4 Debtor or some other party. I'm an investor. I'm going to  
5 have a claim against everybody, including the ultimate owner,  
6 because you knew they were selling me this stuff, and you  
7 didn't tell me or you didn't put me on notice. You acquiesced.

8 MR. COLBY: Sure. Your Honor, actually, I'm not -- I  
9 don't think that's not what's going on. And I don't think  
10 that's true, because what's going on -- and this has been  
11 discussed in this court, this was part of that record earlier.  
12 You know, what SeeCubic is, is a vehicle to hold those rights  
13 of the secured creditors. So what people are investing in is  
14 whatever rights the secured creditors have to ultimately  
15 foreclose. They're not directing -- they're not investing  
16 directly in the technology, or in Stream or in anything like  
17 that --

18 THE COURT: But that's -- but whether you're saying  
19 this directly or not, the basis for the investment that is  
20 being disclosed to parties is that we are developing this and  
21 we want you to invest in it. It's not about -- so to say it's  
22 -- no, that's what it is.

23 MR. COLBY: No.

24 THE COURT: And so again, I need to hear from --  
25 somebody call Mr. Stastney. He can tell me what he told the



1 court. And if somebody else was there, they can tell me. And  
2 then I got to figure out, was this an emergency or not? Plain  
3 and simple. So that's where I am.

4 MR. COLBY: Okay. All right. And then I guess just  
5 one last, you know, there's also this sort of element of the  
6 basis for the TRO that is based on Rembrandt's technology. I  
7 would just remind the Court that Rembrandt has its own IP case.  
8 There's no irreparable harm to Rembrandt here. Rembrandt has  
9 its own IP case.

10 THE COURT: Well, I'm not -- my --

11 MR. COLBY: Rembrandt's --

12 THE COURT: Any decision I make is not going to be  
13 based on any irreparable harm to Rembrandt.

14 MR. COLBY: Okay.

15 THE COURT: Because first of all, Rembrandt and the  
16 Debtors have two separate claims here. One is your -- this is  
17 mine and you're using it. And it's property of the estate, and  
18 I didn't tell you, you could use it. And irreparable harm may  
19 be if you go out and use my asset and sell it, I don't have it  
20 anymore. Rembrandt's claim is you're using my assets and  
21 you're not paying me. And I want you to pay, which is why the  
22 district court says you can get monetary damages. Apples and  
23 oranges from my perspective. Okay. So I'm not even  
24 considering whether there's some sort of harm to Rembrandt.

25 Rembrandt has to take that up in the district court

1 who again, who has already decided to the extent that they're  
2 correct, that these parties are using their assets or their  
3 license without properly compensating them or even without  
4 their authority. They can get money for that. That's not what  
5 the Debtor is asking for. So that's not even on the table for  
6 me. Okay. All right.

7 MR. COLBY: Glad to hear. Okay. So I think if we're  
8 going to jump to testimony, I know we just had a little break,  
9 but it may make sense for the parties to --

10 THE COURT: That's fine, Counsel.

11 MR. COLBY: -- take a lunch break and then --

12 THE COURT: Right. That's fine.

13 MR. COLBY: Yield the floor when we come back.

14 THE COURT: Right. Yes. We definitely don't want to  
15 be where I was last time where I was lightheaded because I  
16 hadn't eaten or that I was hangry and Mr. Caponi had to be the  
17 recipient of my hangry. So let's take a break.

18 MR. COLBY: I don't even remember it.

19 THE COURT: I said Mr. Caponi.

20 MR. COLBY: Oh, okay.

21 THE COURT: I didn't say you. I was looking at -- or  
22 maybe I said the wrong name. But I said Mr. Caponi.

23 MR. COLBY: Oh, right.

24 THE COURT: All right. So how long do you guys want  
25 for lunch?

1 MR. COLBY: 2:00?

2 THE COURT: 2:00. That's fine. It gives me time to  
3 eat my little soup. All right. Court is in recess --

4 MR. COLBY: Thank you.

5 THE COURT: -- until 2:00. Thank you, counsel.

6 (Recess taken)

7 THE COURT: Okay. I think where we left off was that  
8 debtor, I think you wanted to respond whether you think you  
9 wanted to respond to a -- oh, yeah, I'm sorry. Can you hear  
10 me? All right. I thought I made it clear that I thought the  
11 best way to proceed and the best use of our time was just to  
12 proceed with the evidence, unless you think there's a little  
13 preference or is there something else you want to add in  
14 response or what you're going to present to what Mr. Colby has  
15 outlined?

16 MR. KODOSKY: Yeah. I think we're ready to call our  
17 first witness, Your Honor.

18 THE COURT: Okay. Well, let's back off. How many  
19 witnesses you think you need to call?

20 MR. KODOSKY: Well, Mr. Stastney. These two  
21 gentlemen both heard what he said in connection with the  
22 Amsterdam court.

23 THE COURT: They were there.

24 MR. KODOSKY: They were there.

25 THE COURT: Okay. Then that's fine. That's --

1 MR. KODOSKY: And Your Honor actually, and I do a  
2 want to step back for a second. You know, we received his --  
3 Mr. Stastney's declaration last night in which He basically  
4 says --

5 THE COURT: Okay. Uh-huh.

6 MR. KODOSKY: -- I wanted to move to exclude that,  
7 because it's hearsay. Those -- the statements in there about  
8 what he's personally said over in Amsterdam --

9 THE COURT: Uh-huh.

10 MR. KODOSKY: -- are hearsay. We were able to offer  
11 testimony because it's a party admission. Whereas Mr.  
12 Stastney, he can't testify as to what he personally testified  
13 to. He's here to give testimony. We can ask him questions  
14 here in court today about what his -- what he's doing over  
15 there. But for him to submit a declaration containing  
16 statements that he said, that's hearsay. No exception applies.

17 THE COURT: Why -- okay. Well, I had a little --  
18 here's my evidence book. All right. You believe it's hearsay  
19 on the what -- on the -- because what? It's an out of court --  
20 what? The truth of the matter that's being asserted?

21 MR. KODOSKY: Correct.

22 THE COURT: And that it doesn't meet any of the  
23 hearsay exceptions?

24 MR. KODOSKY: Correct.

25 THE COURT: Okay.

1 Mr. Colby, I'm sure you're prepared to address that.  
2 Hey, we have a new person.  
3 MR. COLBY: Yeah.  
4 THE COURT: Welcome. Behind you.  
5 MS. MCKEE-VASSALLO: Good afternoon, Your Honor.  
6 Emilia McKee-Vassallo on behalf of Mr. Stastney from Ballard  
7 Spahr.  
8 THE COURT: Oh, you replacing Mister -- okay. And  
9 your name again, ma'am?  
10 MS. MCKEE-VASSALLO: Emilia, E-M-I-L-I-A --  
11 THE COURT: Hold on, hold on. Let me get her.  
12 That's a good advantage of being in here. I can see everybody.  
13 And okay, we have Mr. Terrence Grogan from -- for Mr. Stastney.  
14 And your name is Camilla.  
15 MS. MCKEE-VASSALLO: Emilia with an E. McKee-  
16 Vassallo. Yes, Your Honor.  
17 THE COURT: Okay. You know why -- you already  
18 answered before I asked. What's your last name?  
19 MS. MCKEE-VASSALLO: McKee-Vassallo.  
20 THE COURT: Could you spell your last name? The  
21 second?  
22 MS. MCKEE-VASSALLO: Vassallo. V as in Victor, A-S-  
23 S-A-L-L-O.  
24 THE COURT: Okay.  
25 MS. MCKEE-VASSALLO: Thank you, Your Honor.

1 THE COURT: Thank you. All right.

2 MR. KODOSKY: And if I may, Your Honor, one other  
3 point. Just a minor point.

4 THE COURT: Hold on. I have to start taking notes.

5 MR. KODOSKY: Sorry.

6 THE COURT: Hold on. So far, I have not seen a lot  
7 of my hearings that are pretty -- I don't want to use the word  
8 contentious, but have the breadth of the issues are pretty  
9 large. I often have people from the -- not like in Delaware,  
10 obviously. But we have people from the media. So that's why I  
11 asked because I wasn't sure if that's who she was. Okay. All  
12 right. October 6. Okay. What was the second point, counsel?

13 MR. KODOSKY: The second point was going to be I  
14 heard Mr. Colby talk about the June 29th hearing testimony  
15 given by Mr. Stastney.

16 THE COURT: Uh-huh.

17 MR. KODOSKY: I just wanted to remind the Court that  
18 June 28th Mr. Rajan, my client, was the director of the  
19 subsidiaries. He was removed on the 29th that day, and in his  
20 place was appointed an independent director. And so with an  
21 independent director in place, there is in theory, someone, a  
22 neutral, a policeman that's not going to be doing what it  
23 shouldn't be done in terms of licensing the Phillips -- any of  
24 the technology.

25 THE COURT: Step back. Step back. Mr. Stastney

1 testified when?

2 MR. KODOSKY: The 29th.

3 THE COURT: Okay. On June 29 he -- that's when --

4 MR. KODOSKY: Yes, Your Honor.

5 THE COURT: And Mr. Rajan was removed the same day?

6 MR. KODOSKY: Yes. If Your Honor goes back and looks  
7 at the transcript. The very -- the transcript begins by them  
8 showing up that day and saying late breaking news, Your Honor,  
9 Mr. Rajan was just removed this morning by the Amsterdam court.  
10 And during the course of that transcript, Your Honor said  
11 what's going on over there? And these attorneys all stood up  
12 and said, we don't know. We're not involved over the  
13 Netherlands, we'll find out let you know. They didn't. The  
14 independent --

15 THE COURT: I don't -- okay.

16 MR. KODOSKY: The independent director was appointed.  
17 And then after Rembrandt said, wait a minute. Mr. Jones Day  
18 attorney, Mr. independent director, you're not able to license  
19 this technology that contains Rembrandt technology built into  
20 it. He resigned. And then after that is whenever they filed a  
21 new petition

22 THE COURT: They who?

23 MR. KODOSKY: -- over in the Netherlands courts.

24 THE COURT: They who?

25 MR. KODOSKY: The Defendants. Mr. Stastney on behalf

1 of the Dutch subsidiaries. If the Court looks at the petition  
2 that was filed over in Amsterdam, it wasn't the Amsterdam  
3 courts doing all this on their own initiative. It was Mr.  
4 Stastney, purportedly on behalf of each of the different Dutch  
5 subsidiaries, which you know, our position was not appropriate  
6 for him to be doing. Because what happened was, was they  
7 successfully had Mr. Rajan removed in favor of an independent  
8 director who resigned.

9 THE COURT: Well, the independent I get it. The  
10 parties are at loggerheads.

11 MR. COLBY: And then replay on September 12th is  
12 whenever they filed the amended petition saying to the  
13 Amsterdam court, Mr. Rajan has been removed. The independent  
14 director has resigned, we asked that Mr. Stastney be appointed.

15 THE COURT: Well, couldn't -- why wasn't another  
16 independent -- the court only does what they're asked.

17 MR. KODOSKY: And the last thing that I want --

18 THE COURT: I don't know -- you don't know the answer  
19 to that, and I don't need to know. They filed the petition and  
20 the court granted the request.

21 MR. KODOSKY: The last point that I want to make on  
22 that, Your Honor, is the Amsterdam court didn't say Mr.  
23 Stastney is appointed director of these Dutch subsidiaries  
24 forever. It said until a judge, a U.S. judge orders otherwise.  
25 And so --



1 THE COURT: It says that?

2 MR. KODOSKY: We've attached the order to our --

3 THE COURT: Counsel, I don't go through all those. I  
4 just read what you like. Okay. And I figured I'm going to get  
5 a record, because I did not think that I had sufficient  
6 information to rule on the papers. That's why I scheduled a  
7 hearing.

8 MR. KODOSKY: It's attached as Exhibit --

9 THE COURT: Well, I'm sure they were probably talking  
10 about the Delaware and not me.

11 MR. KODOSKY: Well, no. Well --

12 THE COURT: I don't have anything to do with that.  
13 Anyway. Well, I'm not going to speculate without seeing the  
14 order. Without knowing what was put before that judge. I  
15 don't know what that court knew or didn't know.

16 MR. KODOSKY: I would just refer the court to Exhibit  
17 G to our --

18 THE COURT: Well, are you going to put it in the  
19 record? Okay.

20 MR. KODOSKY: Yes.

21 THE COURT: Because as I said, if I could rule on the  
22 papers I would have, and I didn't feel that I could, so we need  
23 to have an evidentiary record. Okay. So defendant -- and  
24 appointed -- and was appointed. Okay. So but the bigger  
25 question is, is that you believe that Mr. Stastney's

1 declaration is inadmissible because it's hearsay.

2 MR. KODOSKY: The portions that talk about his  
3 testimony over in Amsterdam, Your Honor. The portions of his  
4 declaration that say these guys, Mr. Rajan and Mr. Robertson  
5 are wrong about what I said over there. I said this. I said  
6 that. The I said this and I said that part is hearsay.

7 THE COURT: Well, can't you ask him what he said?

8 MR. KODOSKY: The point, Your Honor, is the  
9 declaration -- and we can and we will, but the declaration that  
10 he submitted yesterday, we moved to exclude the portions in  
11 there that concern his Amsterdam testimony. And we would just  
12 ask that if the Court does take a look back at that, that it  
13 not include that in connection with its ruling. He's here.  
14 We're able to ask him our questions. And there's no exception  
15 to the hearsay that's contained in the declaration.

16 THE COURT: And is that in his individual capacity or  
17 is that in his capacity as a representative of SeeCubic Inc.?  
18 Because that's who -- or SeeCubic -- who's here today? Let me  
19 back up a little bit here. SeeCubic Inc. is the party that is  
20 here today. So is he -- who's the -- who's the declaration  
21 submitted on behalf of SeeCubic, Inc.? Or was it submitted on  
22 behalf of himself?

23 MR. KODOSKY: I believe it was submitted on behalf of  
24 himself. But all the defendants, the ones that are here today  
25 have joined in in connection with each other's responses.

1 THE COURT: Well, if it's on behalf of himself, then  
2 doesn't that mean -- then counsel for Mr. Stastney, what's your  
3 position? Because he's saying to the extent that he's  
4 supporting his -- he's offering his declaration in support of  
5 his -- Mr. Stastney as an individual that that should not --  
6 that anything that he said in the court, which we don't have --  
7 apparently there's no transcript.

8 Apparently, according to Mr. Colby, they don't do  
9 transcripts. So they're saying that that is -- should be  
10 stricken as a hearsay which is an out of court statement of  
11 truth of which he wants me to take -- to accept. But I guess  
12 the question is -- anyway, that's his position. What's was  
13 your response with respect only as his -- to the extent.

14 MR. KODOSKY: The Amsterdam --

15 THE COURT: How about we get -- how about we call Mr.  
16 Stastney?

17 MR. KODOSKY: Works for me, Your Honor.

18 THE COURT: And we get it in and we figure it out.

19 MR. KODOSKY: Yeah. Works for me.

20 THE COURT: Because I don't have it. And I'm like,  
21 just operating in a vacuum here. But Ms. McKee-Vassallo? I'm  
22 butchering your name, Counsel.

23 MS. MCKEE-VASSALLO: That's it, Your Honor.

24 THE COURT: Okay. We may -- you should be prepared  
25 to -- because he's asserting it in two capacities. Okay.

1 Because one may be okay in his capacity as the representative  
2 of the party, but in his individual it may not. I don't know.  
3 I don't know the answer, because I didn't see that -- I didn't.  
4 I looked at it. Well, first of all, we was filed.

5 MR. KODOSKY: Right.

6 THE COURT: So we were doing our best as again, we  
7 don't have ten associates to do research for us all night.

8 MR. COLBY: Your Honor, so both parties submitted  
9 declarations. I think, in the event that the Court was able to  
10 decide on the papers by looking at the, you know, competing --  
11 as one does, the competing declarations. I think since we're  
12 here doing live testimony, we're perfectly fine putting on the  
13 substance of those paragraphs through live testimony.

14 THE COURT: That's what I'm asking. Can't you ask  
15 him about it?

16 MR. COLBY: Yes.

17 THE COURT: They're not -- and nobody's saying here's  
18 his declaration. And that's the same reason why I couldn't  
19 rule because you're saying it said one thing, he's saying he's  
20 saying another. It's disputed facts. Okay. All right. Call  
21 your -- yes, Counsel.

22 MR. WRIGHT: Your Honor, Davis Wright on behalf of  
23 SLS. I just want to make clear to the extent that declaration  
24 comes in in any shape or form. SLS did not sign on to that.  
25 In fact, the declaration says it's Mr. Stastney on behalf of

1 SeeCubic. So I take issue with counsel's representation that  
2 all of the defendants signed on to that declaration. And I'll  
3 make more of that when we get to legal argument later, Your  
4 Honor.

5 THE COURT: Okay. So you didn't file anything. You  
6 meaning SLS did not file anything in support of that.

7 MR. WRIGHT: SLS filed an objection to the TRO.

8 THE COURT: Okay.

9 MR. WRIGHT: But we did not reference Mr. Stastney's  
10 declaration as part of that.

11 THE COURT: Okay. All right.

12 All right. Counsel, call your witness.

13 MR. KODOSKY: Thank you, Your Honor. We call Mr.  
14 Stastney.

15 SHADRON STASTNEY, DEFENDANT, SWORN

16 THE CLERK: Would you please state and spell your  
17 name for the record?

18 THE WITNESS: Shadron, S-H-A-D-R-O-N, Stastney, S-T-  
19 A-S-T-N-E-Y.

20 THE CLERK: And if you would please state your  
21 address?

22 THE WITNESS: 392 Taylor Mills Road, Marlboro, New  
23 Jersey 07747.

24 MR. KODOSKY: Permission to proceed, Your Honor.

25 THE COURT: Yes. And I messed up all of those

1 spelling, but that's okay. You may proceed, Counsel.

2 DIRECT EXAMINATION

3 BY MR. KODOSKY:

4 Q Good afternoon, Mr. Stastney.

5 A Afternoon.

6 Q Mr. Stastney, you're the chief executive officer and  
7 chairman of SeeCubic of Delaware, correct?

8 A That is correct.

9 Q And you were present in the courtroom earlier before lunch  
10 and heard counsel for I believe that SeeCubic did testify or  
11 that had stated the PPM or I'm sorry, the subscription  
12 agreement was from 2022. Did you not?

13 A I don't recall that.

14 Q All right. When was the subscription agreement issued?

15 A I don't know what you're talking -- which subscription  
16 agreement you're talking about?

17 MR. KODOSKY: Permission to approach, Your Honor?

18 THE COURT: Well, just -- are we marking it or you  
19 want to just -- you want to --

20 MR. KODOSKY: We're marking it. Yes.

21 THE COURT: Okay. Mark it as Debtor 1. I mean,  
22 because this is not going to be followed up by -- you know, we  
23 starting new numbers all over again. Because when I came -- I  
24 forgot when I came and my desk was -- my -- it was clear with  
25 no binders. I was almost shocked and I forgot we're done with

1 that portion. And all of this has been exchanged?

2 MR. KODOSKY: Yes, Your Honor.

3 THE COURT: Okay. And all of the list was filed and  
4 on the record this morning, right?

5 MR. KODOSKY: Yes, Your Honor. And this --

6 THE COURT: Is it in this binder?

7 THE CLERK: It's the list.

8 MR. COLBY: It's attached to our motion. It's  
9 Exhibit I.

10 MR. KODOSKY: Did you have them already printed out,  
11 you said?

12 THE COURT: No. I have the list printed out from  
13 this morning. Not those. Yes. If you have a copy for me,  
14 that's fine. All right. Now, we -- did we print out all the  
15 exhibits to the -- hold on. I have a binder that has  
16 everything. Because my one equivalent associate doing the work  
17 of ten of yours.

18 (Court and counsel confer)

19 THE COURT: Okay. All right. So I do not have any  
20 of the exhibits attached. I have the list, but it would have  
21 been three binders had we printed them out. And we weren't  
22 trying to kill any trees. Yes, I can pull them up on -- now  
23 that I'm able to access the -- okay, but it's probably better  
24 that I get a copy so that I have exactly the exhibit that  
25 everybody is referring to when you -- the parties want to mark.

1 Okay. This is D-1.

2 BY MR. KODOSKY:

3 Q Mr. Stastney, you've been handed what's been marked as  
4 Exhibit D-1?

5 A Yes.

6 Q If you'll take a moment to look at that.

7 A Okay.

8 Q Do you recognize that document, sir?

9 A I do.

10 Q What is it?

11 A It is a subscription agreement for debt of SeeCubic Inc.  
12 of Delaware.

13 Q And it's not from 2022, correct?

14 A This is not.

15 Q This is from last week?

16 A This is from October 1st, 2023.

17 Q All right. And so this is SeeCubic Inc. raising money,  
18 correct?

19 A Correct.

20 Q If you'll turn with me, please, sir, to page, bottom  
21 right-hand corner of page 7 of 17. Actually, before I ask you  
22 any questions about page 7 of 17, did SeeCubic, Inc. disclose  
23 to potential investors or to investors that it has been sued by  
24 the Debtors in this case?

25 A Yes.



1 Q It discloses that within its subscription agreements?

2 A No. Not within the subscription agreement.

3 Q Where does SeeCubic, Inc. disclose that it's been sued by  
4 the Debtors who allege, among other things, that SeeCubic, Inc.  
5 and yourself and others have misappropriated the Debtors trade  
6 secrets?

7 A We don't disclose that because we don't believe that to be  
8 true, but -- number one. Number two, the investors in this  
9 round are all existing investors, actually a very small number  
10 of them, who have been investors with SeeCubic, Inc. for years  
11 and are kept regularly up to date on all the -- on all the  
12 developments in both the business and the legal. There is no  
13 new investor. There has been no new investor in SeeCubic, Inc.  
14 in quite some time.

15 Q With due respect, Mr. Stastney, my question was, where  
16 does SeeCubic, Inc. disclose to investors or potential  
17 investors that it's wrapped up in litigation over allegedly  
18 misappropriated trade secrets involving the Debtors?

19 A We have those -- we have those conversations directly with  
20 investors regularly.

21 Q If you'll take a look at page 7 of 17 of Exhibit D-1,  
22 what's been marked as Exhibit D-1. And I direct your attention  
23 to subparagraph F at the top of the page. Please let me know  
24 when you're there.

25 A I am.

1 THE COURT: Wait a minute, where are we at?

2 MR. KODOSKY: Page 7 of 17, Your Honor. Subparagraph  
3 or five subparagraph F.

4 THE COURT: Okay.

5 MR. KODOSKY: Top of the page.

6 THE COURT: So we're on -- wait a minute. Oh, at the  
7 bottom page 7 of 17.

8 MR. KODOSKY: 8 of 18. Yes, Your Honor. For --

9 THE COURT: And at the top 8 of 18. At the -- where  
10 it says documented. Well, never mind.

11 MR. KODOSKY: Yes, Your Honor.

12 THE COURT: Okay. Page 7 of 17 on the bottom. Okay,  
13 because I will be looking for this. And that is 5-F, correct?

14 MR. KODOSKY: That is correct, Your Honor.

15 THE COURT: Paragraph 5-F. Okay.

16 BY MR. KODOSKY:

17 Q There is no disclosure in subparagraph 5-F that SeeCubic,  
18 Inc. is wrapped up in trade secret litigation involving  
19 debtors. Will you agree with me on that?

20 A There's no -- there's no disclosure of any kind here.

21 Q In the middle of the paragraph, Do you see where it says,  
22 there is potential,

23 "There is no potentially interfering patent or patent  
24 application of any other party, and to the knowledge  
25 of the company, no product of the company infringes

1 in any respect any license, permit, franchise  
2 authorization, patent copyright, proprietary  
3 software, service mark, trademark, trade name, or  
4 other right owned by any other person, except as  
5 would not reasonably be expected to have a material  
6 adverse effect."

7 Do you see where I'm reading from?

8 A I do.

9 Q And it also states at the beginning of paragraph F that  
10 there's,

11 "No action, suit, proceeding, claim, or investigation  
12 before or by any court, public board, governmental  
13 agency, self-regulatory organization or body pending  
14 or to the best of the knowledge of the company  
15 threatened against the company, or involving any of  
16 its respective assets, or to the best knowledge of  
17 the company involving any of their respective  
18 officers or directors that would be expected to have  
19 a materially adverse effect."

20 Do you see that?

21 A I do.

22 Q Who crafted that language?

23 A I don't know.

24 Q You're the chief executive officer of SeeCubic, Inc. that  
25 is raising money by virtue of this subscription agreement and

1 you don't know who drafted this language?

2 A This language has existed in our subscription agreements  
3 for some time. I don't recall exactly who drafted it.

4 Q How long has SeeCubic, Inc. been raising money with  
5 subscription agreements that did not disclose trademark  
6 misappropriation litigation?

7 A Subscription agreements never disclose those things. It's  
8 the PPM's or the discussions that go with the subscription  
9 agreements that disclose those things.

10 Q Who is SeeCubic TV, sir? You offered testimony in a prior  
11 hearing about SeeCubic TV. Do you recall that?

12 A No. There is no such thing as SeeCubic TV. I never  
13 offered that testimony.

14 Q Have you reviewed the declaration submitted by Mr.  
15 Robertson in this case?

16 A I have not.

17 Q You were involved in the day-to-day work at the  
18 Netherlands level during the pendency of this bankruptcy?

19 A I'm not involved in the day-to-day work. No.

20 Q And you're not aware that any work being done over the  
21 Netherlands is being done with SeeCubic, Inc. and SeeCubic BV  
22 doing business with clients at SeeCubic TV? You don't recall  
23 giving that testimony at the June 27th, 2000 hearing?

24 A I do not.

25 Q In this litigation?

1 A I do not recall that. No.

2 Q You have a sublicense business model?

3 A Yes.

4 Q SeeCubic, Inc. sells and markets the Ultra D technology to  
5 potential clients on behalf of SeeCubic BV?

6 A That's correct.

7 Q What type of revenue do you expect to generate in the next  
8 three years?

9 A Very difficult to predict. Depends on how the existing  
10 proof of concept projects with customers pan out. But we're  
11 optimistic that we in that time frame will be able to start a  
12 commercial project.

13 Q You've heard or you've seen the declaration submitted by  
14 Mr. Rajan and Mr. Robertson about your testimony over in  
15 Amsterdam, that you all have 11 or 12 client projects,  
16 including Hyundai?

17 A I did not see that testimony.

18 Q Do you have 11 or 12 projects including Hyundai?

19 A No.

20 Q How many projects do you have?

21 A We currently have SCBV currently has three projects.

22 Q Who are the three projects with?

23 A Those are subject to NDA and I can't disclose them.

24 Q Well, you're not willing to disclose to my client who you  
25 are potentially going to be sublicensing the technology to?

1 A I don't understand that question. I'm sorry.

2 MR. KODOSKY: Your Honor, we would ask that this  
3 portion of the transcript, if necessary, be kept under seal.  
4 But we believe that we're entitled to know who the projects  
5 that they are potentially breaching the Phillips licensing  
6 agreement with, instead of being told that it's subject to a  
7 nondisclosure agreement, and not having any way of knowing or  
8 protecting our license agreement with Phillips.

9 THE COURT: Okay. Right now you are cross-examining  
10 Mr. Stastney as the representative of SeeCubic, Inc., correct?

11 MR. KODOSKY: As well as the director of SeeCubic BV.

12 THE COURT: Okay.

13 MR. KODOSKY: One of our subsidiaries.

14 THE COURT: And for which, Mister -- I haven't seen  
15 the order, but that he is supposed to act in the interest of  
16 all parties as the independent director.

17 MR. KODOSKY: Exactly, Your Honor.

18 THE COURT: I don't know what I do with that.

19 Mr. Colby, what you think I do with that?

20 MR. COLBY: I think those very same fiduciary duties  
21 would counsel Mr. Rajan -- I'm sorry, Mr. Stastney, to maintain  
22 the confidentiality of those projects pursuant to the NDA, not  
23 only from the public generally, but I think, given the somewhat  
24 contentious nature of the business relationship between the  
25 parties here, it would be prudent for him to adhere to the

1 protocol that had been established way back under the receiver  
2 where the projects were on a sort of a no names basis, where  
3 the side parties weren't disclosing each others --

4 THE COURT: Well, that's not in the -- I don't know  
5 what the procedure was with the --

6 MR. COLBY: I also think that there have been a  
7 number of times over the course of the testimony that's come in  
8 over the summer, where the shoe was on the other foot. Mr.  
9 Rajan had customer relationships or things that he did not want  
10 to disclose. We respected that. So I think given the -- sort  
11 of the course of conduct between the parties, there is no basis  
12 to upset that applecart now.

13 There's concerns about the -- legitimate concerns  
14 about interfering with those projects that we have. And so we  
15 think they should be maintained confidential. In fact, if it's  
16 in the best interest of the projects to do so, and we think it  
17 is, then Mr. Stastney is bound by his fiduciary obligations to  
18 maintain the confidentiality of those projects.

19 THE COURT: Well, let me ask you this, because you're  
20 referencing and it's not in the record. I can only tell what  
21 you guys are saying is that the neutral party, the court  
22 appointed receiver was given the information and the three  
23 parties were working together. Are you telling me during that  
24 process, that information was not given to the receiver?

25 MR. COLBY: Correct. No, it was given to the

1 receiver. It was not given to the other party. So the  
2 identity of any customers that SeeCubic brought to the table  
3 was not given to Stream, and vice versa.

4 THE COURT: Okay. So that information technically  
5 could be given just to me.

6 MR. COLBY: Just to you, but not --

7 THE COURT: And then not to them. And then I could  
8 compare that to what they've told me their customers are. And  
9 then I can figure out whether there is some potential issue  
10 here. So I mean, because this is what the issue is, is that  
11 you are using our assets to go in and do -- they're not selling  
12 anything, but they're giving what I understand both of these  
13 parties are giving to -- what was the word that you used?

14 They're assigning -- they're giving them information  
15 for a demo, I'm going to call them demos. And they're  
16 assigning -- I'm not going to use them. And so I don't know  
17 who's giving -- and it may not be a matter of who they're  
18 giving it to. It may matter to this Court what they're giving  
19 them. That's all.

20 MR. COLBY: Your Honor. So first of all, Mr.  
21 Stastney, as I read earlier, and I think if they -- if he gets  
22 asked the question will testify that these unnamed parties,  
23 customers are not being given licenses.

24 THE COURT: No. But they've been given information  
25 regarding the license. Whether they're being given one or not



1 they're being -- the information is being shared. The same way  
2 they're sharing information.

3 MR. COLBY: Secondarily.

4 THE COURT: Uh-huh.

5 MR. COLBY: The, again, there's no -- that the  
6 identity of the customers is not relevant to the issue of  
7 irreparable harm.

8 THE COURT: It may be if it's the same -- if it's  
9 their customers also.

10 MR. COLBY: No. Your Honor, I think, again, I  
11 proffered earlier and Mr. Stastney will address these projects  
12 are being done at the SeeCubic BV level.

13 THE COURT: I get -- Counsel --

14 MR. COLBY: That are with SeeCubic BV. So it's not  
15 their customers, our customers. It's all happening in these  
16 entities.

17 THE COURT: But the underlying issue is that whoever  
18 SeeCubic -- first of all, it's SeeCubic, Inc. that we're  
19 talking about.

20 MR. COLBY: Correct.

21 THE COURT: Okay. And SeeCubic, Inc. isn't the one  
22 who is doing this? Is it not? Isn't the one who's giving the  
23 -- I'm using the word demos to potential customers? Is it not?

24 MR. COLBY: No. SeeCubic BV.

25 THE COURT: I know. I know the answer.

1 MR. COLBY: Yeah.

2 THE COURT: So I'm not -- he's here as -- who's he  
3 testifying for?

4 MR. COLBY: Well, Mr. Stastney now has two  
5 capacities.

6 THE COURT: Uh-huh.

7 MR. COLBY: He is the chairman and CEO of SeeCubic,  
8 Inc. of Delaware.

9 THE COURT: Uh-huh.

10 MR. COLBY: And by virtue of the Netherlands court, a  
11 director of or the director of SeeCubic BV.

12 THE COURT: Okay. And it's -- and we're talking  
13 about that -- well, we were talking about some subscriptions.  
14 Now, we're talking and he said, are you involved in the day to  
15 day of SeeCubic BV. He says no, he's not.

16 So I'm assuming he's now shifted to Mr. Stastney's  
17 role as the independent court-appointed independent director  
18 for SeeCubic BV. Correct, Mr. Counsel? You asking him  
19 questions as in his capacity as the officer, the director,  
20 independent, I guess equivalent to the receiver in -- for  
21 SeeCubic BV?

22 MR. KODOSKY: We're asking him questions in  
23 connection with his role individually and as chairman and CEO  
24 of SeeCubic, Inc. and as director of SeeCubic BV.

25 THE COURT: Okay. I think when you ask him

1 questions, it would be helpful if you ask him and you would  
2 identify in what capacity you're asking the question. Unless  
3 you think they're all one and the same, which I don't know.  
4 Maybe so, maybe not. But it would make sense.

5 I thought you were asking him as the -- you  
6 originally started for SeeCubic, Inc. asking him questions on  
7 the subscription. And then you changed and started asking him  
8 regarding SeeCubic BV, which then I understood and I'm not sure  
9 if that's what you meant, but I understood it was in his  
10 capacity as the independent director. Where -- is that what  
11 you were doing?

12 MR. KODOSKY: My specific question was relating to  
13 who is -- who is this -- who is this technology being licensed  
14 to and by whom? And he won't tell us.

15 THE COURT: Well, he says -- well, wait a minute.  
16 Let's start back. How about is it being licensed? I  
17 understand it's being given as a demo -- I'm using the word  
18 demos. I don't know if that's the correct terminology. But  
19 this is being shared with in a proof of concept. I got proof  
20 of proof. I know it's not that.

21 MR. KODOSKY: Correct.

22 THE COURT: Some sort of proof of concept with three  
23 projects they're working on. Okay. And those three projects  
24 are with parties that they have NDA with, correct? That's what  
25 he's saying. And so -- and that he's not at liberty to

1 disclose. And so that clearly to me, is in his capacity as the  
2 direct independent director because it can't be as his SeeCubic  
3 Inc. because what do they have to do in terms of the projects?

4 MR. KODOSKY: And I believe, Your Honor, that  
5 SeeCubic, Inc. is involved. And may have permission to  
6 approach with the June 29th hearing transcript which I'm going  
7 to mark as Defendant's Exhibit Number 2 where --

8 THE COURT: Wait a minute. Number 2, and then you  
9 can ask him to read it or you can read it and -- I don't know.  
10 What do you want to do with it?

11 (Counsel confer)

12 MR. KODOSKY: Your Honor, we don't have a copy of the  
13 27th hearing transcript. I'm going to move on.

14 THE COURT: Okay.

15 BY MR. KODOSKY:

16 Q Mr. Stastney, you're familiar with Stream TVs business  
17 model, are you not?

18 A I am.

19 Q Stream sales modules which is chips and 3D film?

20 A They aspire to. Yes.

21 Q Sometimes actual products?

22 A Rarely.

23 Q SeeCubic Delaware put into its subscription agreements  
24 and/or its PPM's that it had a sublicensing model of the  
25 technology, correct?

1 A That's correct.

2 Q SeeCubic Delaware mentioned in the subscription agreements  
3 and/or the PPM's sublicensing the optical stack, correct?

4 A I don't recall that.

5 Q SeeCubic Delaware mentioned in the subscription agreements  
6 and/or the PPM sublicensing the IP cores, correct?

7 A No.

8 MR. KODOSKY: Permission to approach, Your Honor.

9 THE COURT: You can just hand it to the ESR. You can  
10 hand it to him and then he'll mark it. It's already marked?

11 MR. KODOSKY: It is.

12 THE COURT: All right. And you shared with opposing  
13 counsel?

14 MR. KODOSKY: It's on their list as well.

15 THE COURT: All right. And if you have a copy for  
16 the Court, that would be well.

17 MR. KODOSKY: Thank you.

18 THE COURT: Okay.

19 MR. KODOSKY: Thank you, Your Honor.

20 THE COURT: Thank you, counsel. Okay. Well, we're  
21 going to mark that. And hand that to the witness.

22 THE WITNESS: Thank you.

23 THE COURT: Okay. You may proceed, counsel.

24 BY MR. KODOSKY:

25 Q Thank you, Your Honor. Mr. Stastney, do you recognize

1 what has been marked for identification as Defendant's Exhibit  
2 Number 2?

3 A I do.

4 Q What is it?

5 A It is an investment memorandum from Q2 of 2022 of  
6 SeeCubic, Inc.

7 Q This -- if you'll please turn to page 13, bottom right  
8 here.

9 THE COURT: Wait a minute. Counsel, hold on. I'm  
10 trying to take notes here and I'm just starting another page.  
11 So this is D2, and this a prior replacement memorandum of this  
12 PPM you guys have been referring to?

13 MR. KODOSKY: Yes.

14 THE WITNESS: From Q2 of 2022, so it's in a little --

15 THE COURT: Oh, SeeCubic, Inc., right?

16 THE WITNESS: Uh-huh.

17 THE COURT: Okay.

18 BY MR. KODOSKY:

19 Q Mr. Stastney, if you'll turn to bottom right hand corner,  
20 page 13?

21 A Sure.

22 Q Let me know when you're there please.

23 A Uh-huh. I am.

24 Q Do you see on page 13 where SeeCubic, Inc.'s business  
25 model is described?

1 A I do.

2 Q The first line of that section where it states SeeCubic  
3 will focus on licensing its technology, both the device and the  
4 content?

5 A I do.

6 Q And on the next page under revenue where it states the  
7 company intends to generate revenue by licensing its technology  
8 to brand partners, such as consumer electronics brands --

9 THE COURT: Wait. Where are we counsel? This is the  
10 business one.

11 MR. KODOSKY: I'm sorry, page 14 under revenue.

12 THE COURT: Uh-huh.

13 BY MR. KODOSKY:

14 Q Where it states that the company intends to generate  
15 revenue by licensing its technology to brand partners such as  
16 consumer electronics brands, automotive brands, where there are  
17 tier one suppliers, mobile device manufacturers, et cetera, and  
18 licensing its technology to content owners or producers for  
19 creation of content. Do you see where I'm reading from?

20 A I do.

21 Q What gives SeeCubic, Inc. the right to license any  
22 technology that includes the Phillips technology?

23 A Well, at the time of this PPM, which was Q2 of 2022,  
24 SeeCubic, Inc. owned all of the subsidiaries. This was during  
25 the pendency of the omnibus agreement. So at this time, the

1 company referred to SeeCubic, Inc. and its subsidiaries, which  
2 included SeeCubic B.V. and Ultra D Ventures, and that gave it  
3 the right to do so.

4 Q And that was ultimately declared void by the Delaware  
5 Supreme Court, correct?

6 A The -- yes. The omnibus agreement was after this declared  
7 void.

8 Q SeeCubic, Inc.'s business model hasn't changed as a result  
9 of the Delaware Supreme Court invalidating the omnibus  
10 agreement, has it?

11 A It has.

12 Q It has or it has not?

13 A It has.

14 Q Is SeeCubic, Inc. now going to manufacture its own  
15 products?

16 A No. But SeeCubic, Inc. is not licensing anything any  
17 longer. Ever since the Receiver was put in place and  
18 subsequently under the independent director. And subsequently  
19 now, SeeCubic B.V. enters directly into transactions with any  
20 customers only. And it is the one that licenses the technology  
21 to the extent necessary.

22 Q What -- how does SeeCubic, Inc. have the right to license  
23 any technology when the Phillips agreement specifically says  
24 that it cannot be licensed?

25 A The Phillips agreement specifically does not say that.



1 You refer only to the 2011 agreement. You did not refer to the  
2 2014 amendment also enacted by Stream, which specifically  
3 contemplates sublicensing because Stream has also realized that  
4 there may be situations where it would need the sublicense.

5 Q And we'll look at the Phillips license agreement and the  
6 2014 amendment. Our client has quite a different understanding  
7 of what that agreement entails. How does SeeCubic, Inc. make  
8 money if it's not manufacturing products and it's not licensing  
9 any technology, how does SeeCubic, Inc. get paid for anything?

10 A At this point, SeeCubic, Inc. doesn't get paid for  
11 anything. It's a startup company that's investing in  
12 technology development.

13 Q Do you see where it states below in that revenue section  
14 where it says for consumer electronic brands, automotive  
15 brands, et cetera, the company will license both an optical  
16 stack design customized for each new type of panel based on  
17 panel configuration and a customized set of software to drive  
18 that panel?

19 A I do.

20 Q Does SeeCubic, Inc., no longer intend to do that?

21 A SeeCubic, Inc. does not intend to do that for the time  
22 being. SeeCubic B.V. must do that now.

23 Q And so, everything that is stated in this revenue section  
24 about how SeeCubic, Inc. planned to move forward and actually  
25 make money you're saying is now no longer valid?

1 A Essentially, it's SeeCubic B.V., which is the one that --  
2 to the extent that there are any commercial contracts that  
3 would arise during the period of the legal dispute, SeeCubic  
4 B.V. would be the one to earn that money. That was what was  
5 put in place by the Receiver, continued by the independent  
6 director, and is continued now under the order of the Dutch  
7 court.

8 Q And how many customers has SC B.V. licenses technology  
9 too?

10 A None.

11 Q Has SeeCubic, Inc. raised any money through the  
12 subscription agreement that we looked at?

13 A It has.

14 Q How much money has it raised?

15 A Approximately \$2.5 million dollars.

16 Q Without any disclosure of this litigation?

17 A That's incorrect.

18 MR. COLBY: Objection.

19 THE WITNESS: The litigation was disclosed. It was  
20 not disclosed in the subscription agreement where it never  
21 would have been. The investors in this round include Hawk and  
22 include the investors who were most familiar with the company's  
23 situation.

24 BY MR. KODOSKY:

25 Q How many investors have contributed towards that two-and-

1 a-half million dollars that's been raised?

2 A Eight.

3 Q Who are they?

4 MR. COLBY: Objection, Your Honor. Again,  
5 confidential. No need for it in this context.

6 THE WITNESS: Well, he didn't say it was  
7 confidential --

8 MR. COLBY: Not relevant.

9 THE COURT: You said they were.

10 MR. COLBY: Yes, that's the --

11 THE COURT: Did he say it was confidential? Come on,  
12 Mr. Colby. Now, I'm giving everybody leeway.

13 THE WITNESS: I am under GDPR, which is the European  
14 data privacy rule. I am not allowed to disclose that  
15 information.

16 BY MR. KODOSKY:

17 Q So you won't tell us about any projects. You won't tell  
18 us who's invested in the company. You won't tell us  
19 essentially anything that would allow us to understand what  
20 risks are Phillips license agreement is under by virtue of what  
21 you all are doing over in the Netherlands?

22 A The investors in SeeCubic, Inc. have no claim on the  
23 Phillips license beyond the assets of SeeCubic, Inc., which is  
24 a secured debt. The only assets of SeeCubic, Inc. currently,  
25 other than those that we've developed separately, are is the

1 debt of the secured creditors? The secured creditors will  
2 either get assets or cash or nothing for that secured debt.  
3 All of that is perfectly well understood by the investors. So  
4 I'm happy to disclose to the Court anything the Court would  
5 like to know that's provided for in those rules. But I can't  
6 disclose it beyond that.

7 Q What does the two-and-a-half million dollars that's been  
8 raised being used for?

9 A To continue the operations of SeeCubic B.V. and SeeCubic,  
10 Inc.

11 Q Your Honor, we would request -- you mentioned what was it  
12 GEVR that provides -- that prohibits you from identifying who  
13 the investors are?

14 A I believe it's GDPR.

15 MR. COLBY: GDPR.

16 THE WITNESS: Is it GDPR?

17 THE COURT: What is it? G what?

18 THE WITNESS: GDPR, Mr. Colby said. I thought it was  
19 GDPR, but I could be wrong.

20 THE COURT: And what does GDPR to your knowledge?

21 THE WITNESS: It is the --

22 MR. COLBY: Your Honor, it's the European Union Data  
23 Privacy Law.

24 THE WITNESS: The investors are from the European  
25 Union.

1 THE COURT: Well, I'm assuming you have it since you  
2 guys were going to rely on it that you would be -- going to  
3 hand it up to me.

4 MR. COLBY: Your Honor, it is extensive and  
5 extraordinarily complicated.

6 THE COURT: Well --

7 MR. COLBY: I'd be happy to --

8 THE COURT: -- I can figure out complicated.

9 MR. COLBY: No, I understand. My point is only that  
10 I don't carry a copy around with me.

11 THE COURT: Well, let me just say this counsel. To  
12 the extent that you were going to rely on that law, and you  
13 were going to cite it to this Court, it is pretty clear that I  
14 don't have it either and that you were going to, Mr. Stastney  
15 -- because I'm pretty sure he didn't -- well, maybe he did.  
16 Maybe he told you about it. It doesn't matter. You guys want  
17 to assert it as a basis for not disclosing, you need to be  
18 prepared to give it to me. You have it?

19 MR. COLBY: I understand, Your Honor. I didn't --  
20 I'm not offering this testimony and I didn't anticipate that  
21 this issue would come up.

22 THE COURT: Well, you stood up and said he cannot.  
23 He's prohibited. He didn't even say he couldn't. So you  
24 interjected and before he even said I cannot, I'm barred, and  
25 you obviously knew the basis as to why because you just gave

1 him the correct acronym.

2 MR. COLBY: Actually, Your Honor, I'm familiar with  
3 the acronym because I was required to do some law firm training  
4 on it. I stood up to object because I thought that the  
5 investors were subject -- that that was subject to its own  
6 confidentiality agreement. That was my thought. I either was  
7 mistaken or Mr. Stastney had a different basis in mind. But  
8 we're not --

9 THE COURT: Well, he didn't. So I'm telling you to  
10 the extent that he's excerpting it, somebody needs to give me  
11 the law because how am I supposed to rule on whether in fact it  
12 is precluded? I'm supposed to do that in a vacuum? He's  
13 asserting it. He's the representative. And I think he was  
14 saying he's doing it in the capacity as SeeCubic, Inc., who is  
15 your client. So somebody needs to give this to me.

16 MR. COLBY: Happy to work on that.

17 THE COURT: All right. I don't know how I'm supposed  
18 to rule if I don't know something about, you know -- as you  
19 said, it's pretty thick. It's difficult to read. I don't know  
20 about it.

21 MR. COLBY: I think it's -- I also think that the  
22 questions are not relevant. Who invested in SeeCubic is not  
23 relevant to whether -- to the issue here today, whether or not  
24 there is some risk of imminent harm to the Debtors.

25 THE COURT: Well, my understanding that the risk of

1 imminent harm to the Debtor is that they are out -- they  
2 meaning I don't know if it's SeeCubic -- presumably SeeCubic,  
3 Inc., because I have not heard SeeCubic B.V. is selling  
4 subscriptions that would allow some interested -- some  
5 purchaser to assert some interest in the license. What I've  
6 heard him say is we're not doing that, okay. And the other  
7 issue is that they are -- they meaning either SeeCubic, Inc.,  
8 or SeeCubic B.V., or Mr. Stastney individually are licensing to  
9 other third-parties information that is property of the  
10 Debtor's estate. That's all I am --

11 MR. COLBY: Understand. None of which have to do  
12 with who made with who may be investing in SeeCubic, Inc. None  
13 of those issues have anything to do with who may be investing  
14 in SeeCubic, Inc.

15 THE COURT: Well it may be --

16 MR. COLBY: They're investing -- I'm sorry. They're  
17 investing in the right -- I'm sorry. I didn't mean to cut you  
18 off.

19 THE COURT: Go ahead.

20 MR. COLBY: I wasn't quite done. They're investing  
21 in the right that Hawk and SLS have as secured creditors.

22 THE COURT: Well, but counsel, the document that we  
23 were looking at doesn't say that. So he's questioning him, and  
24 Mr. Stastney is, well, we're not doing that anymore. So  
25 that's --

1 MR. COLBY: Sure. The document we're looking at,  
2 Your Honor, is from 2022. The state of the world was very  
3 different.

4 THE COURT: I get what is, counsel. He's free to ask  
5 him about it. He's free to say who were they and what's going  
6 on. I'm going to allow it for that to see if it relates.

7 MR. COLBY: The question was about current investors.  
8 So we'll work on the GDPR issue and figure out whether that can  
9 be disclosed.

10 THE COURT: Well -- right, but let's be clear.

11 MR. COLBY: But I don't think it's relevant.

12 THE COURT: Well, it's relevant to the extent he said  
13 he raised \$2.5 million. When did he raise it? Was it recent?  
14 Was it all in '22? Let him ask the questions.

15 MR. COLBY: Well, I understand. Look, he testified  
16 that it was recent. But this 2022 PPM doesn't make current  
17 fundraising relevant to the harm. The current fundraising is  
18 investing in rights as secured creditors.

19 THE COURT: But counsel --

20 MR. COLBY: There's no connection between that and  
21 whether or not they're going to suffer irreparable harm.

22 THE COURT: I don't know that. They need to make  
23 their record and that's what he's doing. Either he's going to  
24 make it or he's not.

25 MR. COLBY: Well, I'm merely suggesting that there's



1 some -- there are some outrebounds of what's relevant to the  
2 immediate issue of the supposed irreparable harm and I think  
3 we've reached those outrebounds.

4 THE COURT: Counsel, he's saying that this is  
5 irrelevant because you have gone beyond the bonds because this  
6 is from quart Q22, and it has nothing to do with today or what  
7 happened on the 13th.

8 MR. KODOSKY: I was actually asking about the two-  
9 and-a-half million dollars that he said that was just raised.  
10 Well, he didn't really say when it was raised. I asked in  
11 connection with the subscription agreement, how much was  
12 raised? And he said two-and-a-half million dollars. And I  
13 said how many investors? He said eight. I asked who the  
14 investors were, and he said I'm not answering that.

15 THE COURT: No. He said I'm not allowed to answer  
16 it --

17 MR. KODOSKY: I'm sorry, Your Honor.

18 THE COURT: -- because of because of QDPR. He did  
19 say -- he did mention Hawks.

20 MR. KODOSKY: He did mention Hawk.

21 THE COURT: Right.

22 MR. KODOSKY: Who apparently is one of the eight that  
23 contributed towards the two-and-a-half million dollars.

24 MR. CAPONI: If I could be heard, Your Honor?

25 THE COURT: Yes you may, Mister -- I'm not going to

1 call you Mr. Colby.

2 MR. CAPONI: Caponi, Your Honor. Thank you.

3 THE COURT: Caponi.

4 MR. CAPONI: Your Honor, the disclosure of Hawk is no  
5 violations as I'm sitting here. But the issue Your Honor I  
6 have goes to relevance. The investors in SeeCubic, Inc., the  
7 Delaware entity, Weber's investing in that entity is not  
8 engaged at the SC B.V. level. It is not engaged in any  
9 licensing. It is not engaged in any day-to-day operations, so  
10 I don't see that there's any relevance.

11 Secondly, throughout the course of this dispute,  
12 there has been aggressive activity on behalf of Mr. Rajan and  
13 those associated with Mr. Rajan to go after any sources of  
14 liquidity. So one of the ways that this war has been fought in  
15 addition to being fought in the Netherlands, in this court,  
16 it's if you can scare away investors, then the company lacks  
17 resources to pursue its interest and you can win. So my  
18 client --

19 THE COURT: Which company? Which company lacks  
20 resources?

21 MR. CAPONI: Excuse me, Your Honor?

22 THE COURT: You're saying which company lacks  
23 resources?

24 MR. CAPONI: The one. I mean, what has been  
25 happening over the course since I've been involved in the last

1 year-and-a-half is that the -- when they are able to identify  
2 the identity of investors in SeeCubic, Inc., there is a --  
3 campaign to harass these individuals to dissuade them from  
4 investing in the future. Given that, there's -- I don't see  
5 any connection whatsoever between who invested in SeeCubic,  
6 Inc. and the TRO. I don't see the relevance. And I'm  
7 informing the Court that that information from my client's  
8 perspective is very sensitive because it's being -- every time  
9 it's disclosed its weaponized and I --

10 THE COURT: Weaponized against your client?

11 MR. CAPONI: Yes. My client -- my client is a  
12 substantial investor.

13 THE COURT: Oh, I already know that.

14 MR. CAPONI: Right. So, Your Honor, if my -- if this  
15 investment goes down because others run away, my client is  
16 going to be the one that's hurt the most and my client has a  
17 substantial interest in not having the pool of investors  
18 further harassed any more than they've already been harassed.

19 THE COURT: Well, from what I'm understanding from  
20 Mr. Stastney, the eight investors are the same people who have  
21 been investing. So I'm not quite sure what -- that is already  
22 know, so I don't know what the point is from anybody.

23 MR. CAPONI: And that has not been disclosed. I  
24 mean, Hawk's investment is well known.

25 THE COURT: No. You just said they were the same

1 people. There was nobody new.

2 MR. CAPONI: I'm just telling Your Honor --

3 MR. COLBY: He did that say, Your Honor. But I don't  
4 think Mr. Stastney said that was previously expressly disclosed  
5 to Stream TV. He did not say that.

6 THE COURT: Well then if it wasn't previously  
7 disclosed, how they harassing anybody?

8 MR. COLBY: Because --

9 MR. CAPONI: They've been harassing my client. And  
10 every time they --

11 THE COURT: You and -- listen.

12 MR. CAPONI: They suspect that there's someone  
13 investing. Your Honor, let me just -- if I can for one second,  
14 Your Honor. The investors in SeeCubic -- in Stream and then  
15 SeeCubic, Inc. for the most part are very wealthy European  
16 individuals. These aren't corporations. And they are familiar  
17 with one another. That's kind of how this works. I made an  
18 investment. You may want to get in on this. So Mr. Rajan was  
19 exposed to this circle through my client Hawk. And when he  
20 believes that someone of those wealthy individuals may be  
21 investing --

22 THE COURT: You mean representative of Hawk because  
23 Hawk's an entity; is it not?

24 MR. CAPONI: Excuse me, Your Honor?

25 THE COURT: When you say was introduced by your

1 client, do you mean a representative of Hawk or --

2 MR. CAPONI: Of Hawk. Yes, Your Honor.

3 THE COURT: Okay.

4 MR. CAPONI: And so, when Mr. Rajan believes that  
5 someone in that circle may be investing, the get barraged and  
6 harassed and then my client hears about it whether they're  
7 investors or not and it's sort of along the lines of thank you  
8 very much for making your problem my problem, and it scares  
9 these people away. So Mr. Rajan to date does not know how the  
10 eight investors are. We don't want him to know because once he  
11 finds out, rather than attacking 30 people, he's going to  
12 attack eight. And given that it has no relevance to this  
13 proceeding, I don't know why we're talking about it.

14 THE COURT: Okay.

15 MR. CAPONI: Thank you, Your Honor.

16 THE COURT: Counsel, response? Oh, yes? He said  
17 it's irrelevant.

18 MR. COLBY: Yeah.

19 THE COURT: Irrelevant. Why is this relevant? What  
20 does this have to do with the issue as I see it is what I  
21 thought was that certain facts or certain things transpired at  
22 the hearing in the Netherlands. And then based on what  
23 transpired at that time, there was a need to get a temporary  
24 restraining order and then at some point either a preliminary  
25 or permanent injunction, prohibiting whatever happened or was

1 said to be happening at that hearing.

2 How is who is investing in SeeCubic, Inc. relevant to  
3 that issue before me?

4 MR. CAPONI: Your Honor, my clients are going to  
5 testify that over in Amsterdam, they heard Mr. Stastney say  
6 that he was involved -- they had 11 or 12 clients lined up,  
7 including Hyundai. Within a week after that testimony was  
8 given this subscription agreement went out seeking to raise  
9 money. We don't know -- I haven't had a chance to ask him yet  
10 how many people this subscription agreement was sent to. We  
11 know that there's been eight total investors. We don't know  
12 who those investors are. The subscript --

13 THE COURT: I got my own information on GDPR. Okay,  
14 hold on. Let me take a little look at that. Boy, for someone  
15 without ten associates, we're doing pretty good.

16 Well, for one thing, the GDPR only applies to  
17 processing data of a natural person. This is all says natural  
18 person, that or relating to institutional investors is not  
19 covered. Although information relating to their employees or  
20 individual plan participants might be. So I'm not quite sure.  
21 Just a quick -- I'll figure that out. But just a quick review  
22 says it applies to natural persons?

23 MR. KODOSKY: I'm sorry, natural persons?

24 THE COURT: Natural persons. So presumably these  
25 investors must be natural persons, although Hawk isn't one.

1 MR. KODOSKY: Hawk is not one. There are other non-  
2 individuals, let's call them that, that have invested towards  
3 that two-and-a-half million dollars that's been raised.

4 THE COURT: You're still arguing on relevance?

5 MR. COLBY: No, Your Honor. I was just going to make  
6 the point that because of the complexity of GDPR, I think Mr.  
7 Stastney can answer that question, are there other entities?  
8 But before we go further, we would appreciate the opportunity  
9 to just nail down this issue a little bit further for the  
10 Court's benefit.

11 THE COURT: Counsel, without disclosing any attorney-  
12 client privilege, I'm presumed that you prepped Mr. Stastney  
13 for his testimony today, did you not?

14 MR. COLBY: That we -- I'm sorry, I couldn't hear.

15 THE COURT: You prepped him. You prepared him?

16 MR. COLBY: Briefly, Your Honor.

17 THE COURT: Yeah, well I would -- okay. I'm getting  
18 more confident, but tell me briefly, Mr. Colby. I'm sure you  
19 did a good job. You didn't briefly do it.

20 MR. COLBY: You might be surprised at how briefly.

21 THE COURT: Oh. Well, okay. But in any event, just  
22 a cursory review of this suggest that it only applies to  
23 natural persons. So I think he can just say how many natural  
24 persons. And then we'll figure out later whether that --  
25 assuming it's relevant.

1 MR. COLBY: Yeah, I'm fine with that.

2 THE COURT: Assume how many nonnatural -- when we're  
3 nonnatural we mean like not a person of those eight investors?

4 THE WITNESS: I'm going to say roughly four. Our  
5 through entities and four are directly in individual capacity.

6 THE COURT: So four are entities and four are  
7 persons?

8 THE WITNESS: Uh-huh.

9 THE COURT: A natural. What did they call them?

10 THE WITNESS: A natural person.

11 THE COURT: Natural persons, okay. Now, back counsel  
12 to the issue of relevancy. Counsel have both argued that this  
13 is irrelevant to your, you're the Debtor's request for a TRO  
14 because what does that have to do with whatever it is that you  
15 believe of the Debtor is being harmed and will -- and the  
16 Debtor will suffer irreparable harm. What does the fact that  
17 SeeCubic, Inc. is getting investors in SeeCubic, Inc., which  
18 Mr. Stastney says is going to be used to invest in both  
19 SeeCubic B.V. and SeeCubic, Inc.? What is the relevance to  
20 this matter today?

21 MR. KODOSKY: Your Honor, the relevance is that  
22 they're out there raising money based on these subscriptions  
23 that contain absolutely no discussion of this trade secret  
24 litigation where we allege that our crown jewel, the Phillips  
25 license is at risk. If Phillips finds out what these guys are



1 doing over in the Netherlands, we're done.

2 THE COURT: Well, I don't know. Listen. There's a  
3 dispute over who owns the Phillips license. And from what I  
4 can gather, the Phillips license, and I'm not expert on IP, but  
5 based on the testimony, Phillips licenses and people or people,  
6 entities, whoever it is that they license it to, the licensees,  
7 are free to take that technology and develop it further and do  
8 whatever they heck they do with it and pay Phillips some sort  
9 of royalty or whatever it is that it's called that they're  
10 paying.

11 So I'm trying to figure out how -- I get what part of  
12 the Debtor's argument is, is that what is being licensed that  
13 are potentially licensed because Mr. Stastney is saying they're  
14 not licensed in anything. What is potentially being licensed  
15 is a -- I'm not sure what the proper word for it, but the  
16 technology that is being licensed is the base. I'm going to go  
17 back to my little building example. Is the foundation is the  
18 Phillips license. Rembrandt did something to it, so they built  
19 on it. And then Stream or the entities or somebody, they then  
20 said -- Rembrandt says you're using my license. You're using  
21 my technology. You guys -- you meaning Stream and all their  
22 little subsidiaries.

23 They then agreed, okay, this new -- it's not -- I use  
24 the word improve, but it's now a different then what it was  
25 originally. Because originally it was Phillips, and Phillips

1 couldn't figure out -- from my understanding, they couldn't  
2 figure out how to get the bugs out. Rembrandt tried. They  
3 couldn't get -- they got some of it done and then their  
4 information, they alleged, was taken to Stream or Stream  
5 subsidiaries because its engineers went over there and there's  
6 no testimony to the contrary that they didn't.

7           And Rembrandt and then said, okay, you took -- you  
8 built upon -- you know, we had a foundation. We built a floor.  
9 You went and built floor number two. And then we built floor  
10 number -- we built floor number one Phillips. We built floor  
11 number one. And then you, you, I don't know who you is, but  
12 they cut a deal with Stream saying you built something, and you  
13 owe us some money because you took what we built on.

14           And then these other parties are saying the exact  
15 same thing. Well, we only used what you had, and we built our  
16 own. And the Debtor is saying, well, this was ours that you  
17 used. And the same thing that Rembrandt said to Stream, Stream  
18 is saying to these other people, namely the SeeCubic B.V. that  
19 you can't do that because it's ours and you took ours and built  
20 whatever you have. And so, this building doesn't belong to  
21 you, and you can't license it. You can't do anything with it.

22           And my question is, is what -- I'm assuming is that  
23 the Debtor is saying this is our asset and now you're taking  
24 it. And I don't care what you put on top of it, it's ours.  
25 And you can't use it to go sell the license to somebody else.

1 And my question is what is the imminent date -- the imminent  
2 harm or what is it that it's doing that is going to cause some  
3 harm? And you're saying they're going out and licensing it to  
4 people. They're trying to sell it. They're trying to -- I  
5 don't know what they're doing with it.

6 And that's my question is what -- I'm trying to  
7 figure out what is it that triggered this. And so, they're  
8 saying whoever invested is -- now you're saying they use it for  
9 subscription agreements. Okay, we can talk about that. You're  
10 saying that they're using it to license. And Mr. Stastney is  
11 saying we're not selling anything. At least not with respect  
12 to these licenses because that's different now. And we're not  
13 licensing anybody. We're just giving them proof of --

14 THE WITNESS: Concept.

15 THE COURT: -- concept, so --

16 MR. KODOSKY: And, Your Honor, our position is that  
17 the SC B.V. has no rights under the Phillips license agreement  
18 to be sublicensing this technology to anybody. When the  
19 independent director that was appointed, Mr. Jasper Burkenbosch  
20 (phonetic) received the complaint or the notice from Rembrandt  
21 in August, he resigned.

22 THE COURT: Okay, I got that. I got that. So what  
23 are these people doing now? When I say these people, I mean  
24 all of the Defendants that you want me to issue a TRO. What  
25 are they doing now that is different then when the -- the first

1 independent director, he resigned because he -- whatever he --  
2 for whatever reason. I don't know. It's not in the -- I mean,  
3 we all can speculate unless he put something in writing. We  
4 all can -- you can say, well, we believe he did this and we --  
5 I don't know why he did it unless you have something in  
6 writing, I don't know what to tell you.

7           So again, my question is, what is it that you -- that  
8 Mister -- because we need to just stick to what did you say?  
9 What did you mean? And then I get to hear from Mr. Stastney  
10 what he says he said. And then I'll hear from the other two  
11 people that tell me this is what he said. And then it's a  
12 credibility issue because if he -- if they say he said I am  
13 doing this now and I find that this is implicating the Debtor's  
14 assets, we got a problem. And if I don't find that he did any  
15 of those things, then I don't know what the emergency is. So  
16 can we just kind of focus on that?

17           MR. KODOSKY: I'll try, Your Honor.

18           THE COURT: Okay. So I will sustain the -- your  
19 objection as to relevancy and we're going four outside of --  
20 there's like a little box here that I think we need to stay  
21 within. And I'm not quite sure who -- it's relevant as to when  
22 they investments may have happened. What they told people they  
23 were going to give them. As to whether this involves the  
24 Debtor's assets that they're trying to get people to invest in.  
25 I get that.

1 But we need to tell me what happened September 13th  
2 and what they're doing you believe that they -- the record will  
3 show that they were doing. They meaning Mr. Stastney,  
4 SeeCubic, Inc. Who else is on here? Hawk. I don't know what  
5 Hawk did. Maybe by investing. I have no clue. Okay. But at  
6 least the four people, four entities, and one person who you  
7 believe I should issue Stastney individually. I get it. SLS  
8 VI Holdings, SeeCubic, Inc., that's Mr. Stastney, and Hawk  
9 investments. And you need to tell me why I wouldn't -- what is  
10 it that they're doing that I need to enjoin, okay.

11 BY MR. KODOSKY:

12 Q Who were you shopping at -- are you shopping the  
13 technology?

14 A I don't know what that means.

15 Q Are you -- meaning with potential clients offering to  
16 license the source code and optical design stack, and other  
17 pieces of technology?

18 A No. We are not meeting with clients and offering to  
19 license them the technology.

20 Q When you say we, does that include both S -- SeeCubic,  
21 Inc. and SeeCubic B.V.?

22 A Yes.

23 Q So neither is SeeCubic, Inc. nor SeeCubic B.V., it's your  
24 testimony here today, you all are not offering to potential  
25 clients to license the technology to those clients?

1 A At this point, all we are doing is offering to complete a  
2 proof-of-concept project with them.

3 Q What do you mean by a proof-of-concept project?

4 A We take their specifications and create a product.

5 Q SC B.V. is creating the products?

6 A SC B.V. is creating the products.

7 Q For sale?

8 A No. For proof of concept for those clients to see if the  
9 technology is something that they may want to license in the  
10 future. But none of that is happening now.

11 Q And so, if my client is correct that SC B.V. does not have  
12 the right to license technology that has Phillips technology  
13 embedded in it or Rembrandt technology embedded in it, would  
14 you agree, sir, that you are putting those agreements in  
15 jeopardy by building products, protocol projects for these  
16 potential clients using that technology embedded in it?

17 A No. Phillips is specifically aware of exactly what we  
18 were doing because we have discussed with Phillips exactly what  
19 we are doing. Phillips was aware of that when Mr. Rajan was  
20 still at SC B.V. in the discussions with Bosch. Phillips is  
21 still aware of that. They are fully aware of our business  
22 model, and they have no objections to it.

23 Q What basis --

24 A Rembrandt on the other hand, does not have any protectable  
25 IP in this situation. The analogy that's been used is somewhat

1 incorrect in that regard.

2 Q Who at Phillips has signed off on what you all are doing?

3 A The responsible party at Phillips for the license.

4 Q Who is that?

5 A His name is Alexander Damveld (phonetic).

6 Q The same Alexander Damveld that said there are no licenses  
7 available at this point?

8 A I don't know what you're referring to.

9 Q Are you aware that that gentlemen has informed my client  
10 within the last month that there are no additional licenses  
11 being made?

12 MR. COLBY: Objection, Your Honor, just to the extent  
13 that that's a proffer of evidence. That would be hearsay. I  
14 think if the question could be --

15 THE COURT: Rephrased.

16 MR. COLBY: -- rephrased.

17 BY MR. KODOSKY:

18 Q Have you personally had conversations with Mr. Damveld?

19 A Yes.

20 Q When?

21 A 2021.

22 Q Okay. So you have not spoken with Mr. Damveld in 2023?

23 A I have not.

24 Q So if you've not spoken with Mr. Damveld in 2023, how does  
25 he know what you all were doing over there right now?

1 A Because our business model hasn't changed.

2 Q Well, I thought that you said that your business model has  
3 changed from 2022 whenever in the product placement with the  
4 astronaut on the front you talked about your business model  
5 included sublicensing the technology?

6 A And I said the way in which it changed, which was the  
7 party doing the sublicensing is not SeeCubic, Inc. any longer.  
8 It's SeeCubic B.V. But otherwise, I confirmed for you that the  
9 business model was the same.

10 Q And the only reason that SC B.V. is the party that's now  
11 offering the sublicensing as opposed to SeeCubic, Inc. is  
12 because you've been named within the last two weeks the  
13 director of SC B.V., correct?

14 A That is 100 percent inaccurate. The reason that SC B.V.  
15 is doing it is because the Receiver in October of 2022 decided  
16 that it would be in every party's best interest if SC B.V. did  
17 the agreements with customers. That exact protocol was adopted  
18 by the independent director, and that is the protocol that I'm  
19 bound to follow by the court under the court's most recent  
20 ruling.

21 Q Mr. Stastney, you referred to the Receiver. The Receiver  
22 was in place before the Delaware Supreme Court ruled, correct?

23 A Incorrect. The Receiver was in place well after the  
24 Delaware Supreme Court ruled.

25 Q Okay.



1 A The Delaware Supreme Court ruled in June of 2022, and the  
2 Receiver was put in place by the chancery court in October of  
3 2022.

4 Q All right. And so, you're saying that the Receiver  
5 allowed SC B.V. to sublicense the technology to clients?

6 A The Receiver allowed SC B.V. to do exactly what it has  
7 been doing since 2018, which is develop proof of concept  
8 projects to potentially entice customers to license the  
9 technology to include in their offerings.

10 Q The independent director did not agree to continue with  
11 your all's business model, correct?

12 A Incorrect.

13 Q He resigned?

14 A I said incorrect. He did agree to continue it and that's  
15 exactly what the protocol provided.

16 Q Well, he resigned correct?

17 A Those are two different questions.

18 Q It's one question. He resigned, correct?

19 A The independent director resigned, right.

20 Q And with you as a director and making the decisions  
21 essentially at this point for SC B.V., who's to police your  
22 conduct?

23 A The court. Specifically, the Amsterdam court. I am to  
24 abide by a protocol and provide regular reports to the  
25 Amsterdam court.

1 Q How often do you have to provide reports?

2 A It does not say specifically. It says regularly.

3 Q Have you provided any reports to the Amsterdam court to  
4 this point?

5 A No. Not since September 20th. No, I have not.

6 Q All right. So in the two, three weeks, you have not  
7 accounted at all to the Amsterdam court in terms of what you  
8 all are doing over there?

9 A That's correct.

10 Q Are there any scheduled communications with the Amsterdam  
11 court as to what is going on with the henhouse? You heard my  
12 fox in charge of the henhouse characterization earlier. Is  
13 there any further hearings scheduled with the Amsterdam court  
14 regarding these matters?

15 A No hearings. I'll rely on my Dutch counsel to tell me as  
16 and when I should be updating the court.

17 Q Is there any order saying what a schedule would be for you  
18 to notify the court over there as to what's going on?

19 A I believe I answered that already.

20 THE COURT: That's --

21 THE WITNESS: I said no. There's no schedule. It's  
22 to be --

23 BY MR. KODOSKY:

24 Q So you're essentially self-policing yourself, correct?

25 A Incorrect.

1 Q How am I incorrect?

2 A Because I'm overseen by a court with a specific protocol  
3 to follow.

4 Q How many customers have you spoken with about potentially  
5 developing these protocol projects?

6 A I apologize. Who am I in this regard and you mean proof  
7 of concept projects?

8 Q Correct.

9 A When you say you, in what role?

10 Q Start with SeeCubic, Inc.

11 A SeeCubic, Inc., not me personally. But SeeCubic, Inc. has  
12 probably talked to 50, 100.

13 Q A hundred customers?

14 A Potential customers.

15 Q And what have those conversations concerned? Putting the  
16 technology in automobiles, for example?

17 A Some have been with automobile companies or tier one  
18 suppliers.

19 Q And televisions?

20 A Some of them regarding televisions.

21 Q And have you personally been the one having these  
22 conversations?

23 A I have had some and our SCI staff has had others.

24 Q When you say SCI staff, who is that?

25 A Those are our employees who have relationships with the

1 various companies or are building relationships with the  
2 companies to explain to them what we do and assess whether  
3 they're interested. They're salespeople.

4 Q So SeeCubic, Inc., has salespeople?

5 A Yes.

6 Q How many?

7 A Well, I'll say five sort of full time and a lot of people  
8 help out.

9 Q And they're offering the services of SCBV to these  
10 clients?

11 A Yes.

12 Q Is SCBV speaking with clients about licensing the  
13 technology to those clients?

14 A No.

15 Q Are you individually speaking with potential clients?

16 A At times, yes.

17 Q How many?

18 A I don't know the answer to that. But many.

19 Q More than --

20 A I mean, I've certainly spoken with 20 or 25.

21 Q All right. And if you've spoken with 20 or 25 and  
22 SeeCubic, Inc. has salespeople out there that have spoken with  
23 you said 100, maybe 100 or more?

24 A Fifty to a hundred, probably.

25 Q And if our client's position is correct that that's

1 jeopardizing the Phillips licensing agreement, your answer is,  
2 is that there's somebody at Phillips who you haven't spoken  
3 with since 2021 that's fine with what you all are doing?

4 A Yes.

5 Q Mr. Stastney, you were barred by FINRA in 2013; is that  
6 correct?

7 A I don't recall whether I was barred by FINRA, but I  
8 entered into an SEC -- a settlement with the SEC in 2013.  
9 That's correct.

10 Q And that was for roughly \$2.8 million?

11 A That's correct.

12 Q You were fined?

13 A That's correct.

14 Q And that was for an undisclosed profit that you had made  
15 in connection with a purchase transaction?

16 A That was for an undisclosed principal transaction.

17 Q Right. And that bar has not been lifted in the past 10  
18 years, correct?

19 A I have never reapplied.

20 Q Is the Amsterdam court aware of that?

21 A I believe that was briefed by your clients, yes.

22 MR. KODOSKY: May I have a minute, Your Honor?

23 THE COURT: Sure.

24 (Counsel confer)

25 BY MR. KODOSKY:

1 Q Mr. Stastney, were you offering sublicensing to the  
2 potential customers that you all have been meeting with?

3 A No.

4 Q No sublicensing at all?

5 A All we've been offering to clients at this point is proof  
6 of concept projects.

7 Q But if the proof of concept is successful -- has the proof  
8 of concept actually worked with any client to this point?

9 A No.

10 Q So nobody has decided to do any business with you all  
11 after these projects have been built?

12 A We haven't completed any of them yet.

13 Q How long have you all been working on these projects?

14 A In terms of actually working on them, the first one  
15 started earlier this year.

16 Q In 2023?

17 A Uh-huh.

18 Q After the Supreme Court invalidated the omnibus agreement  
19 is when the projects first started?

20 A The conversations were happening before that, but that's  
21 when the actual projects commenced based on the contracts.  
22 Yeah.

23 Q And has the work been completed at this point?

24 A The work has not been completed.

25 Q When do you anticipate the work is going to be completed?

1 A Somewhere between around the end of the year or after.

2 Q Is the bonding equipment being used in connection with  
3 those projects?

4 A It is not.

5 Q Where is the bonding equipment these days?

6 A It's in a warehouse in China.

7 Q Have you had any conversations with the landlord about the  
8 bonding equipment in that warehouse?

9 A No. I have not.

10 Q And you deny telling the landlord not to release it to my  
11 clients?

12 A I deny telling the landlord not to release the equipment  
13 to your clients. Yes.

14 Q Have you spoken with clients in the past about  
15 sublicensing?

16 A That's what I assumed your question was previously and the  
17 answer is no.

18 Q Okay. And so these client discussions you're having, you  
19 said you've personally had more than 25 of them. If you're not  
20 discussing sublicensing, what's the purpose of having a  
21 protocol built if the end result is not to sublicense the  
22 technology to them?

23 A The purpose is to take the first step, which is does our  
24 technology work within their build, within their -- with their  
25 chosen equipment. And until that's done and completed, there's

1 really nothing to discuss on the sublicensing terms. We've  
2 never gotten to that point.

3 Q When do you expect to get to that point?

4 A At some point after when they've gotten the proof of  
5 concept project completed and have had a chance to assess  
6 whether they want to move forward with a commercial  
7 application.

8 Q And I guess my question to you, sir, is when do you expect  
9 the first proof of concept project to be completed?

10 A I think I've answered that also. But that was the end of  
11 the year or early next year.

12 Q I didn't hear the answer earlier to that. So before the  
13 end of 2023 or beginning of 2024, you all expect to have the  
14 first of these proof of concept projects completed?

15 A That's correct.

16 Q And then at that point, do you anticipate having  
17 sublicensing discussions with the potential clients?

18 A Only if they decide to move forward with the commercial  
19 application. After some period of evaluating the proof of  
20 concept project.

21 Q And if they do want to move forward, then you all would  
22 sublicense the technology to them?

23 A That's a bridge we'll have to cross when we get there.

24 Q Well, maybe. The Court is going to have some say in that  
25 in terms of whether or not you all are able to move forward



1 with sublicensing technology despite what the terms of the  
2 agreement say. But I just want to make sure that I'm clear  
3 that that's your intention, is to get these proof of concept  
4 projects completed and then move forward with the sublicensing,  
5 correct?

6 A My intention is to complete the proof of concept projects  
7 and then hope that the clients approve of them and want to move  
8 forward.

9 Q And the sublicensing would be done not by SeeCubic, Inc.,  
10 but instead by SCBV?

11 A That's correct.

12 Q An affiliate, a subsidiary of the Debtors in this case?

13 A That's correct.

14 Q And so if by moving forward with those projects and  
15 potentially sublicensing the technology, any of the licensing  
16 agreements with Rembrandt or with Phillips are jeopardized,  
17 that's not a concern of yours?

18 A That's not my understanding of what actually is the case.

19 Q You're not concerned at all about the Phillips agreement?

20 A Based on everything I'm saying that we're doing or propose  
21 to do, I have no concerns about the Phillips agreement.

22 Q Have you personally disclosed what you're doing to the  
23 Phillips people?

24 A Yes.

25 Q In 2023?

1 A No.

2 Q Have you had any discussions with the Phillips people  
3 since the Delaware Supreme Court said that you all don't own  
4 the assets?

5 A I have not.

6 Q Have you asked any strategic companies for money, three to  
7 five million dollars each?

8 A Yes.

9 Q Who?

10 THE COURT: Who's asking the --

11 MR. KODOSKY: I'm sorry?

12 THE COURT: Who said who?

13 MR. KODOSKY: I did.

14 THE COURT: Oh. Okay. All right. I might be  
15 getting a little delirious. So the question was did you ask  
16 any strategic?

17 MR. KODOSKY: Companies.

18 THE COURT: And presumably, he knew what you meant by  
19 strategic because he answered.

20 THE WITNESS: We have NDAs with each of those  
21 strategic companies.

22 BY MR. KODOSKY:

23 Q With who?

24 A We have NDAs with each of those strategic companies?

25 Q How many?

1 A Four.

2 Q What is the money being given for?

3 A The money is not being given yet. We're only discussing.

4 THE COURT: And can we be clear for the record who's  
5 we?

6 THE WITNESS: I'm sorry?

7 THE COURT: Who is we? We is?

8 THE WITNESS: SeeCubic, Inc.

9 THE COURT: Okay.

10 MR. KODOSKY: SeeCubic, Inc. This is SeeCubic, Inc.,  
11 in this case. I have no further questions at this point, Your  
12 Honor.

13 THE COURT: Okay. I'm guessing -- well, I'm assuming  
14 he called him over cross. So you're going to have to examine  
15 him, Mr. Colby. Are you going to examine? You have some  
16 questions?

17 MR. COLBY: Yes, Your Honor. If now is a good time  
18 for a short break, I'd just confer with co-counsel.

19 THE COURT: Right.

20 MR. COLBY: We've been going for an hour or two.

21 THE COURT: And counsel, does anybody think we're  
22 going to finish today?

23 MR. COLBY: Well, I think we could finish right now  
24 because I don't think the Debtors have come close to carrying  
25 their burden.

1 THE COURT: Well, they haven't called all their  
2 witnesses, counsel.

3 MR. COLBY: Where I was going is I think the rest of  
4 the answer is better directed to them and not to me because I  
5 don't know how long it's going to take them to put on their  
6 case.

7 THE COURT: Well, let's back off. That was directed  
8 to everyone. I actually just happened to be looking at you,  
9 Mr. Colby, because I was turned this direction.

10 MR. COLBY: Okay.

11 THE COURT: We have one witness that we have not even  
12 finished. There are two more witnesses, Mr. Rajan and Mister --

13 MR. KODOSKY: Robertson.

14 THE COURT: -- Robertson. I don't know how long --  
15 presumably, let's say they each take a half an hour for cross  
16 -- direct, half an hour for cross. Or maybe you have 10  
17 minutes. I don't know.

18 MR. COLBY: Yeah.

19 THE COURT: But that's still two -- we're talking  
20 about, I don't know, how long do you think for Mr. Stastney  
21 here? Maybe 20 minutes for you? That still takes us to  
22 4:00-something. And then, these two gentlemen, I would love  
23 to -- I'm not doing an all-nighter like I've done before. And  
24 either they're going to carry their case or they won't. The  
25 question is, I'm not sure that we're going to get through it

1 before 5:30, 6:00 tonight and I'm not inclined to do that,  
2 given where I am.

3 MR. COLBY: Understand. I think probably all of our  
4 predominant concern is if you're not feeling well, we'll finish  
5 whenever you like. I think also, in addition to the time  
6 allocations that you just referenced, there's the possibility  
7 if not likelihood that after Mr. Rajan and Mr. Roberson, we  
8 would want a rebuttal witness. Might be Mr. Stastney or  
9 somebody else.

10 THE COURT: Yes. There we go.

11 MR. COLBY: And I'd be delighted of opposing counsel  
12 let us have the last word, but they probably would have some  
13 follow-up questions. So you'll probably --

14 THE COURT: So I'm just saying for timing. And I  
15 would love to say we can continue on Monday, but I don't think  
16 so. That's a holiday. I would come, but I think the court's --

17 MR. KODOSKY: I would, Your Honor.

18 THE COURT: Well, the court is closed. I don't think  
19 my staff is coming.

20 MR. KODOSKY: Sorry.

21 THE COURT: I don't think -- because I actually  
22 realize I didn't have any trials. And now that the judicial  
23 council has mandated that all evidentiary hearings be in  
24 person, you know, all of those trials that I was having during  
25 COVID when people could do Zoom trials are suddenly settling.

1 So I have lots of openings on my calendar. I think my calendar  
2 is opening up -- don't I have a trial -- oh, was it a trial  
3 today that I gave to them? Okay.

4 And my trial on Tuesday is -- anyway, I'm saying that  
5 only because, I will be honest, my medication is wearing off.  
6 And notwithstanding my doctor's orders that I take the week  
7 off, I did not. So I wanted to get this done. But there's  
8 only so much that I can physically do, so.

9 MR. DEMARCO: Would Tuesday work for Your Honor?

10 THE COURT: I'm trying to pull up my calendar. Do  
11 you know what's on our calendar? What? It should be -- I  
12 don't and I purposely had -- doing COVID and Zoom trials, I  
13 often had my phone with me because that was the way I  
14 communicated with my staff. And so I kind of got accustomed to  
15 doing that. But it looked while we were in court that I'm not  
16 paying attention or that I'm on my phone. So I have purposely  
17 left my phone in my chambers so that I now have to go back to  
18 looking at my laptop for information, to communicate with my  
19 staff in chambers and to communicate -- Eileen, are you on?

20 THE CLERK: Yes, Judge, I am.

21 THE COURT: All right.

22 THE CLERK: Yes, Judge. We did set a trial on  
23 Tuesday, but that's been rescheduled to November. And that was  
24 to start at 12:30.

25 THE COURT: Okay.

1 THE CLERK: So we have that spot open.

2 THE COURT: Again, as I said, everybody trying to  
3 settle now because they don't want to come and see me. So we  
4 do have Tuesday if we have to. I will go as late as I can, but  
5 I will be honest, I'm not -- I'm starting to not feel well.

6 MR. KODOSKY: Sure.

7 THE COURT: Yes, counsel?

8 MR. DEMARCO: Your Honor, I apologize. I just wanted  
9 to jump in real quick. I'm traveling for business next Tuesday  
10 through Friday. I would have the following Monday and Tuesday  
11 available, which is I believe 16th and the 17th. But I've  
12 already committed on another business trip for next week.

13 THE COURT: Okay. So you're not available at all?

14 MR. DEMARCO: I'm not available on Tuesday. I have a  
15 flight at 8:00 Tuesday morning.

16 THE COURT: Okay. Because I was wondering, and I  
17 don't know the answer. I have to reach out to someone in the  
18 administrative office to find out what in-court means. Does it  
19 mean only I have to be here? Does it mean everybody has to be  
20 here? I don't know. Because some counsel may want to  
21 participate by Zoom, which I think -- which we were prepared to  
22 do today with me being in another courtroom if I was still  
23 contagious. But I'm not, so I'm in here. So I don't know what  
24 that means. If that means for people who say we can  
25 participate but we can't get here, but you can't be here at

1 all. So that's irrelevant.

2 MR. DEMARCO: I mean, I maybe could try Zoom later in  
3 the week, Your Honor. I'd have to really juggle that.

4 THE COURT: No.

5 MR. DEMARCO: But certainly Tuesday, I'll be on a  
6 plane traveling.

7 THE COURT: Okay. Eileen, what do we have?

8 THE CLERK: For what day, Judge? For the following  
9 week?

10 THE COURT: Yes.

11 THE CLERK: We have the 16th available.

12 THE COURT: What day of the week is that?

13 THE CLERK: Monday. October 16th is a Monday.

14 THE COURT: And we have nothing that day?

15 THE CLERK: We did have a case, TH Properties. Hold  
16 on one second, let me just make sure.

17 THE COURT: That got continued to file an amended --  
18 they're going to file an amended disclosure statement and --  
19 amended disclosure statement and a continued hearing on their  
20 motion for relief, correct?

21 THE CLERK: Yes. That's correct. And that's not  
22 until November 8th.

23 THE COURT: Right. So --

24 THE CLERK: So we have October 16th available.

25 THE COURT: And counsel, you said when will you be



1 available?

2 THE CLERK: I am available on Monday, the 16th, and  
3 Tuesday, the 17th.

4 THE COURT: What do we have on the 17th, Eileen?

5 THE CLERK: 17th, we have just our normal 10:30,  
6 which we're available after 11:30.

7 THE COURT: And counsel, on those days, assuming I'm  
8 fine, we can go late. I mean, as late as the -- as long as the  
9 marshals don't -- or the CSOs don't kick us out, we can go as  
10 late as necessary. It's unfortunate today's just not one of  
11 those days that I can do that.

12 MR. WRIGHT: Your Honor, from my personal  
13 perspective, I will rearrange things to block out that day for  
14 Your Honor.

15 THE COURT: For the 16th?

16 MR. WRIGHT: Either day.

17 THE COURT: 16th or 17th?

18 MR. WRIGHT: Whichever day, I can --

19 THE COURT: The 16th would be all day. I don't have  
20 anything. We'd start at 10:30 and we can go as late. And I'll  
21 check with the CSOs, but we probably can go as late as 8:00.  
22 And hopefully, we can finish up today. It's 4:00. Let me, you  
23 know, you wanted to take a little break. I can go. I need to  
24 take some more medication and then we'll see how long I can go.

25 MR. COLBY: It's also a logical breaking point before

1 I start up again.

2 THE COURT: Right. Because you're going to cross --  
3 well, examine Mr. Stastney.

4 MR. COLBY: Examine, correct.

5 THE COURT: And then, we'll stop there.

6 MR. COLBY: Yep.

7 THE COURT: And then, you can start at the next  
8 hearing with your two other witnesses. And then hopefully, if  
9 you have a rebuttal witness, we can get that all done within  
10 eight or ten or however many hours.

11 MR. COLBY: Well, no. I was saying given that it's  
12 almost 4:00, I could start today. I don't know -- we don't  
13 know how long we're going to go, but I don't know that I would  
14 finish.

15 THE COURT: Well, we can go until at least -- let me  
16 just figure out how -- I mean, typically, I go until 6:00,  
17 6:30, even though, you know, it's a little over. I just don't  
18 know if today, I can go that --

19 MR. COLBY: Okay. And the other consideration, and  
20 I'm raising it, Mr. Kodosky could raise it himself. It doesn't  
21 look like it's going to happen. We were trying to finish up  
22 before flights had to be met.

23 THE COURT: Oh, what time are your flights?

24 MR. COLBY: Which is not me, but I think they have  
25 some 7:00 flights.

1 MR. KODOSKY: And that's the other thing I was going  
2 to mention, Your Honor, is one of the two gentlemen, Mr.  
3 Robertson, he's here from Nevada. And so I don't know if the  
4 Court would be inclined at all to maybe permit him to be  
5 examined by Zoom as opposed to in court on the 17th? But the  
6 16th, if necessary, he could do. But he was on a red-eye  
7 flight this morning, Your Honor, that left Nevada at, like,  
8 midnight and got into --

9 THE COURT: Right. So we aren't going to --

10 MR. KODOSKY: -- morning early.

11 THE COURT: So he's not even going to get on the  
12 stand today.

13 MR. KODOSKY: Right.

14 THE COURT: So I think maybe we figure out -- what  
15 I'll do is I'll take a break, come back, and I hate when I go  
16 back because I end up starting talking to my law clerks about  
17 things and we go a little over. So let's come back at 4:15.  
18 That gives you like 25 minutes. So you guys sort of -- maybe  
19 you can between, among yourselves figure out what timing works  
20 for everybody.

21 MR. KODOSKY: Okay.

22 THE COURT: Because he's got to leave anyway.

23 MR. KODOSKY: We've both got -- he's got a flight --  
24 I'm up from Atlanta, Georgia. My flight is at 7:00-something,  
25 his is at 7:00-something.

1 THE COURT: Counsel, you need to be at the airport by  
2 5:30.

3 MR. CAPONI: Your Honor, I was going to suggest that  
4 since courtroom time is scarce, if we could -- we could always  
5 deal with scheduling tomorrow when we come back, get the  
6 witnesses up and down, and then deal with the lawyer stuff when  
7 we're not burdening Your Honor and --

8 THE COURT: Well, that's fine with me. That's why  
9 they pay me that huge salary, so I can come here and listen to  
10 this. That's my favorite line. I'm sorry. We're going to be  
11 in recess until 4:15.

12 (Recess taken)

13 THE BAILIFF: All rise.

14 THE COURT: Please be seated. You may proceed.

15 MR. COLBY: Thank you.

16 CROSS-EXAMINATION

17 BY MR. COLBY:

18 Q Mr. Stastney, do you recall Mr. Kodosky asked you a  
19 question about whether or not you were involved in the day-to-  
20 day work at SeeCubic BV?

21 A Yes.

22 Q Okay. I have a different question. My question is, do  
23 you have an understanding of what the day-to-day work is that's  
24 going on at SeeCubic BV?

25 A Yes.

1 Q There was testimony before the break about conversations  
2 with customers. And I want to focus in particular on -- did  
3 you testify in the hearing in the Netherlands about ongoing  
4 conversations with potential customers?

5 A I believe we may have discussed that there were some.  
6 Yes.

7 Q Okay. All right. Did you provide an approximate number?

8 A I don't recall doing that.

9 Q All right. You also testified before the break about  
10 conversations with approximately 50 to 100 potential customers.  
11 Do you remember using that number?

12 A I do.

13 Q Over what period of time did those conversations take  
14 place?

15 A Over three years.

16 Q Three years. Okay. Have you had any conversations with  
17 potential customers in the last, I guess it would be three  
18 weeks since the decision on the -- in the case in the  
19 Netherlands?

20 A No.

21 Q There were some questions about your obligations to report  
22 to the court in the Netherlands. Do you recall that?

23 A I do.

24 Q In the hearing in the Netherlands proceeding, did you  
25 describe for the court there the projects that were ongoing at

1 SeeCubic BV?

2 A I did not.

3 Q I'm sorry?

4 A I did not.

5 Q Okay. In terms of that reporting, is Mr. Rajan a party to  
6 that proceeding?

7 A He was.

8 Q Okay. And is proceeding ongoing in any way?

9 A The court's oversight continues.

10 Q Okay. And if anybody has an issue with either your -- if  
11 anybody has an issue with your conduct as the director of SCBV,  
12 is there an opportunity to raise that with the court?

13 A My understanding is that there is.

14 Q Okay. And if there's an issue with the frequency or  
15 substance of your reporting to the court, is there an  
16 opportunity for that to be raised with the court?

17 A I wouldn't expect that there is.

18 Q Okay. Do you have an understanding as to whether or not  
19 Mr. Rajan or anybody else from Stream could raise any issues  
20 they see with your fulfilment of those duties with the court?

21 A My understanding is that they could.

22 Q I want to talk -- you made some references about the  
23 Phillips license.

24 A Yes.

25 Q And what's your understanding of what the Phillips license

1 allows the licensee to do?

2 A So the Phillips license as amended, allows the licensee to  
3 incorporate or utilize the know-how and software that was  
4 developed by Phillips to the extent that there is any. And  
5 also to include features which rely on the patents that were  
6 developed by Phillips in producing and selling technology.

7 MR. COLBY: Okay. So let's take a look at it, if I  
8 might, Your Honor, the Phillips license.

9 THE COURT: The what?

10 MR. COLBY: The Phillips license.

11 THE COURT: Okay.

12 MR. COLBY: So these will be SC-1 and SC-2 license  
13 and the amendment. You guys have copies, right? Okay.

14 BY MR. COLBY:

15 Q Can you take a look at SC-1, Mr. Stastney.

16 A Yes.

17 Q Do you recognize that document?

18 A Yes, I do.

19 Q What is it?

20 A This is the original 2011 technology license agreement  
21 between Phillips and Ulta D Cooperative.

22 Q Okay. And does this appear to be a true and correct copy  
23 of that license?

24 A It does.

25 Q It does. Okay.

1 MR. COLBY: Any objection to moving into evidence?

2 MR. KODOSKY: No. No objection to moving it into  
3 evidence.

4 THE COURT: Okay. Admitted.

5 (Debtor's Exhibit SC-1 admitted into evidence)

6 BY MR. COLBY:

7 Q And while we're taking care of housekeeping, Mr. Stastney,  
8 if you could look at SC-2.

9 A Okay.

10 Q Do you recognize that -- take your time, but the question  
11 is, do you recognize that document?

12 A Yes, I do.

13 Q What is it?

14 A It is the 2014 amendment to the original 2011 technology  
15 license agreement between Phillips and Ulta D Cooperative?

16 Q And does it appear to be a true and correct copy of that  
17 document?

18 A It does.

19 MR. COLBY: I'd like to move that into evidence as  
20 well.

21 THE COURT: Any objection? Admitted.

22 (Debtor's Exhibit SC-2 admitted into evidence)

23 MR. COLBY: Thank you.

24 BY MR. COLBY:

25 Q Okay. So Mr. Stastney, there's been a lot of testimony



1 about sublicensing and the Phillips amendment. What's your  
2 understanding as to -- I'm sorry, in the Phillips license.  
3 What's your understanding as to whether or not sublicensing  
4 would be permitted under the Phillips agreements?

5 A My understanding is that it would.

6 Q What's that based on?

7 A That's based on particularly the 2014 amendment to the  
8 technology license agreement, which was put in place primarily  
9 for that purpose.

10 Q Are you referring to anything in particular in the 2014  
11 amendment, SC-2?

12 A Yes. The addition of Clause 2.15, which was added to  
13 essentially the operative sections of the agreement by the  
14 technology license amendment.

15 Q Okay. And what's your understanding of provision 2.15?

16 A 2.15 is an agreement between Phillips and Ultra D, such  
17 that Phillips agrees to offer licenses, essentially sublicenses  
18 to third party users on reasonable conditions to enable Ultra D  
19 in this case and its affiliates to incorporate their technology  
20 in third party units.

21 MR. COLBY: Okay. And how does that relate to the --  
22 I'll strike that.

23 BY MR. COLBY:

24 Q Okay. Moving on, Mr. Stastney.

25 A Sure.

1 Q Do you recall when you were here testifying in June,  
2 testifying about a license that SeeCubic, Inc. has?

3 A Yes.

4 Q Okay. What is that license?

5 A That is an end user license that allows SeeCubic, Inc. to  
6 possess demo units and essentially use them.

7 Q Okay. Is that the same as a sublicense in the way we've  
8 been talking about it here today?

9 A It is not.

10 Q How are they different?

11 A A sublicense is something that would allow a manufacturer  
12 of product to incorporate the technology in a broad number of  
13 products for sale. An end-user license is essentially, what  
14 each of the buyers of those products would need to have through  
15 their manufacturer that enables you to own it, to have it, and  
16 use it.

17 Q Okay. And do you have an understanding as to whether or  
18 not that end-user license is permitted under the Phillips  
19 agreements?

20 A My understanding is that it is.

21 Q And what's that understanding based on?

22 A It is a product that was made by Stream TV effectively and  
23 delivered pursuant to the license.

24 Q Just want to ask briefly about the proceeding in the  
25 Netherlands. Were you present?

1 A I was physically present. Yes.

2 Q In the courtroom?

3 A I was.

4 Q Was it a in-person hearing?

5 A It was an in-person hearing.

6 Q Was Mr. Rajan present?

7 A He was not physically present.

8 Q Did he appear?

9 A He appeared via Zoom.

10 Q Was Mr. Robertson present?

11 A He was not physically present.

12 Q Did he appear?

13 A He appeared via Zoom.

14 Q Were the proceedings -- what language were the proceedings  
15 conducted in?

16 A Primarily Dutch.

17 Q Okay. And were there translators --

18 A Yes.

19 Q -- or interpreters present?

20 A Yes. Both on the Zoom call and in the courtroom.

21 Q How would you describe the quality of your recollection of  
22 your testimony in the Netherlands proceedings?

23 A Quite good. It was very brief. It was less than three  
24 minutes.

25 Q And is your testimony here today consistent with the

1 testimony that you offered in the Netherlands proceeding?

2 A It is.

3 MR. COLBY: I'm going to hand up what will be Exhibit  
4 SC-3. It's the protocol.

5 MR. KODOSKY: I'm sorry?

6 MR. COLBY: The protocol.

7 MR. KODOSKY: I don't have a copy.

8 BY MR. COLBY:

9 Q Do you have SC-3 three in front of you, Mr. Stastney?

10 A I do.

11 Q Do you recognize this document?

12 A Yes, I do.

13 Q What is it?

14 A This is the protocol that the independent director  
15 circulated for his resignation.

16 Q Okay. And does it have any application to you?

17 A Yes. The court in the Netherlands specifically asked if  
18 we would be willing to abide by this. The answer was yes. And  
19 then made abiding by this a part of its order.

20 Q Is this a true and correct copy of the protocol?

21 A It appears to be. Yes.

22 MR. COLBY: Okay. Any objection?

23 MR. KODOSKY: No.

24 MR. COLBY: I'd like to move it into evidence, Your  
25 Honor.

1 THE COURT: No objections, counsel?

2 MR. KODOSKY: None, Your Honor.

3 THE COURT: Admitted.

4 (Debtor's Exhibit SC-3 admitted into evidence)

5 BY MR. COLBY:

6 Q Mr. Stastney, what's your understanding of how this  
7 protocol applies to you?

8 A According to the court's decision in Amsterdam, I am bound  
9 to abide by this during my time as director of the Netherlands  
10 entities and until a qualifying event occurs, which would  
11 remove this from the court's jurisdiction.

12 Q Okay. And what does it require you to do or not do?

13 A Quite a bit. Generally speaking, to continue to operate  
14 the business in the best interests of the Dutch entities. To  
15 continue operating generally in the ordinary course. To  
16 continue to work to fund the entities sufficiently. To conduct  
17 all relationships between any of the parties only at arm's  
18 length. To treat both stakeholders of Stream and SeeCubic  
19 equally in terms of access to the human resources of SeeCubic  
20 BV based on the merit of the projects proposed. And to  
21 entertain projects from both entities and assess them based on  
22 merit to determine how to allocate those human resources.

23 Q And do you intend to abide by that protocol?

24 A Yes, I do.

25 MR. COLBY: I'd like to mark Exhibit SC-4.

1 MR. KODOSKY: What is it?

2 MR. COLBY: It's the opinion.

3 MR. KODOSKY: Okay.

4 MR. COLBY: Thank you.

5 BY MR. COLBY:

6 Q Mr. Stastney, do you recognize Exhibit SC-4?

7 A Yes, I do.

8 Q What is it?

9 A It appears to be a translation of the Court's decision as  
10 of the 20th of September.

11 Q Okay. And flip through the whole thing. Is -- is there a  
12 Dutch version as well?

13 A Yes, sorry. At the end -- at the end of the Dutch  
14 version, yep.

15 Q All right. And are -- how are you familiar with this  
16 document?

17 A I received it from our Dutch counsel after it was issued.

18 Q Does this appear to be a true and correct copy of the  
19 opinion and the machine translation?

20 A It does.

21 MR. COLBY: Move to admit this document into  
22 evidence, Your Honor.

23 THE COURT: Counsel, any objection?

24 MR. KODOSKY: No objection, Your Honor.

25 THE COURT: Admitted.

1 (Debtor's Exhibit CR-4 admitted into evidence)

2 MR. COLBY: Thank you.

3 BY MR. COLBY:

4 Q What's your understanding, Mr. Stastney of for how long  
5 you are appointed as the independent director of SeeCubic BV?

6 A I believe that's until a final decision has been issued  
7 with regard to the party that is entitled to name the director  
8 and the final decision in the U.S.

9 Q Okay. Do you have an understanding as to where that  
10 decision will come from?

11 A I don't believe it was specific in the --

12 Q Got it. Okay. I don't have any other questions about  
13 that.

14 A Yep.

15 Q You were asked earlier, Mr. Stastney about a 2023  
16 subscription agreement. Do you recall that?

17 A I do.

18 Q And that, I believe, was marked as D-1, Exhibit Debtor 1.  
19 What's the function of this document?

20 A To specify the terms on which investors will invest and to  
21 gather their information so that we have the appropriate  
22 records of who invested.

23 Q Got it. And Mr. Kodosky asked you about paragraph 5-F on  
24 page 8, at the top of the page, page 7 on the bottom of the  
25 page. Do you recall those questions?

1 A I do.

2 Q And so let's take a look at F, please. And there is a --  
3 the first sentence of paragraph F references action suit  
4 proceedings. Do you see that long sentence?

5 A I do.

6 Q Okay. And it was read for the Court earlier. I won't --  
7 I won't reread it. But what's your understanding of what that  
8 sentence communicates?

9 A It communicates that there are no types -- none of these  
10 things, the long list, which I won't reread, which would be  
11 expected to have a materially adverse effect to SeeCubic Inc.

12 Q Okay. And SeeCubic Inc is involved in litigation,  
13 correct?

14 A It is.

15 Q All right. How do you reconcile, if -- if you do, the  
16 statement in the first sentence of paragraph F with the  
17 existence of the various litigations that SeeCubic is involved  
18 in?

19 A Well, I -- again, I think that the critical thing is that  
20 last clause which is expected to have a material adverse  
21 effect.

22 Q Yeah.

23 A The -- the lawsuits, all of them, essentially involve the  
24 same fact situation, which is what we're here to talk about.

25 And the position of SeeCubic Inc is as an owner of the secured



1 creditor's claims. And as such, it has a fairly protected  
2 position. If the bankruptcy continues, the secured creditors  
3 continue to have their claims against the estate, against the  
4 debtors, and we'll either be repaid or will receive the assets,  
5 presumably, at the end of the day. If through some other method  
6 the asset collection takes place, again, either they will be  
7 repaid or receive the assets. All -- none of that would result  
8 in a material adverse effect. And just based on the  
9 probabilities of those outcomes versus other outcomes, we don't  
10 expect that any of those things would have a material adverse  
11 effect.

12 Q Okay. If it was suggested that this is incomplete or  
13 misleading to a reader, how would you respond to that?

14 A I think this is entirely accurate as written.

15 Q The second sentence references potentially interfering  
16 patent or patent application, and it goes on. I won't subject  
17 us all to a full rereading. What's your understanding of what  
18 that sentence means?

19 A The same thing. It's once again qualified by expected to  
20 have a materially adverse effect. So number one, SeeCubic Inc  
21 doesn't have any patents or patent applications itself. If  
22 this is referring to the patent or patent applications of  
23 SeeCubic BV, then based on the analysis that we've done and the  
24 license with Phillips particularly, we feel that this is a  
25 perfectly accurate statement.

1 Q Okay.

2 MR. COLBY: Just one minute, Your Honor.

3 THE COURT: Uh-huh.

4 BY MR. COLBY:

5 Q Mr. Stastney, what's your understanding of whether or not  
6 either of the Debtors here own any of the intellectual property  
7 associated with the Ultra D technology?

8 A I believe the only intellectual property that they may own  
9 is a trademark or two. Other than that, all of the  
10 intellectual property sits with either the Curacao subsidiary  
11 or the Dutch subsidiaries.

12 Q Okay. And in that response when you say the intellectual  
13 property, what intellectual property are you referring to?

14 A The patents, the know-how, the software, predominantly.

15 Q Okay. And which entities hold that intellectual property?

16 A I believe the patents are held by Ultra D Ventures. Any  
17 new patents that get created in SeeCubic BV get transferred  
18 there as created. SeeCubic BV through the employees and the  
19 operations has the know-how, and SeeCubic BV also has the  
20 software.

21 Q Okay. Our Exhibit SE-5. Take a minute to -- oh, you  
22 don't even have it yet. Mr. Stastney, have you had a chance to  
23 review SE-5?

24 A Yes.

25 Q What is it?

1 A It appears to be a list of patents owned by Ultra D  
2 Cooperative originally, as of 19 December 2022.

3 Q Okay. Do you recognize this document?

4 A I do.

5 Q Does it appear to be a true and correct copy of the list  
6 you just described?

7 A As of 19 December 2022, it does.

8 Q Okay.

9 MR. COLBY: I'd like to move it into evidence, Your  
10 Honor. SE-5.

11 THE COURT: Counsel?

12 MR. KODOSKY: No objection, Your Honor.

13 THE COURT: Admitted.

14 (Debtor's Exhibit SE-5 admitted into evidence)

15 MR. COLBY: Yep.

16 BY MR. COLBY:

17 Q Mr. Stastney, does this -- does SE-5 reflect where and  
18 what entity those patents are held?

19 A Yes, it does.

20 Q Okay. And what -- what entity is that?

21 A Ultra D Cooperative.

22 Q Is that consistent with your understanding?

23 A Yes, it is.

24 MR. COLBY: Your Honor, those are the only questions  
25 I have at this time. I believe Mr. Caponi may have a couple,

1 but.

2 THE COURT: Okay.

3 MR. CAPONI: Good afternoon, Your Honor.

4 THE COURT: Okay.

5 CROSS-EXAMINATION

6 BY MR. CAPONI:

7 Q Good afternoon, Mr. Stastney.

8 A Good afternoon.

9 Q Just a few questions for you. With regard to Hawk  
10 Investment Holdings Limited, what if any role does that entity  
11 have in the day-to-day operations of SeeCubic BV?

12 A None.

13 Q And the same question as it pertains to Bob Morton.

14 A He has no role in the day-to-day operations.

15 THE COURT: To who?

16 MR. CAPONI: Bob Morton. He's one of the Defendants  
17 listed in the --

18 THE COURT: Okay.

19 MR. CAPONI: TRO. Robert Morton is his correct name  
20 in the caption.

21 BY MR. CAPONI:

22 Q And then the same with regard to Alastair Crawford. What,  
23 if any, role does he have in the day-to-day operations of  
24 SeeCubic BV?

25 A He has no role in the day-to-day operations.

1 Q I want to now focus on SeeCubic, Inc, the Delaware entity.  
2 What role, if any, does Hawk Investments Holdings Limited have  
3 in the operations of SeeCubic, Inc?

4 A None.

5 Q And same question with respect to Robert Morton. What  
6 role, if any, does he have in the operations of SeeCubic, Inc?

7 A None.

8 Q Okay. And lastly, does Alastair Crawford have any role in  
9 the operations of SeeCubic, Inc?

10 A None.

11 Q So to the extent that SeeCubic BV is engaging in any  
12 activity worthy of an injunction, would Hawk Investments, is  
13 your understanding, have any role in encouraging or directing  
14 that activity?

15 A It would not.

16 Q How about with respect to Bob Morton?

17 A He would not.

18 Q And the same question as with Mr. Crawford?

19 A He would not.

20 Q Okay. And if we go back -- if lastly, we go to SeeCubic,  
21 Inc, the Delaware entity. If it -- the Court determines that  
22 it's engaged in some conduct that's worthy of an injunction,  
23 would Hawk Investments have any role in directing that  
24 activity?

25 A They do not.

1 Q And how about with respect to Robert Morton?

2 A He does not.

3 Q And the same thing, lastly, with Mr. Crawford?

4 A He does not.

5 Q Thank you.

6 THE COURT: Anything further on cross-examine -- I'm  
7 calling it cross-examination because that's what it is.

8 MR. CAPONI: I have no further questions, Your Honor.

9 THE COURT: All right. Any redirect, counsel?

10 MR. KODOSKY: A few, Your Honor.

11 REDIRECT EXAMINATION

12 BY MR. KODOSKY:

13 Q Mr. Stastney, you were asked some questions about -- if  
14 you still have in front of you, I believe it was SC-1,  
15 technology license agreement?

16 A Yes.

17 Q Do you have any involvement in negotiating the terms of  
18 the technology license agreement between Phillips and Ultra D  
19 Cooperative back in 2011?

20 A Hold on, let me get the right one. I was a director of  
21 the company at the time. And the funding that paid the initial  
22 license fee came from SLS. Other than that, no.

23 Q So you had no involvement with negotiating the terms of  
24 the agreement, correct?

25 A Correct.

1 Q And you're aware that this agreement in 2011 expressly  
2 prohibits any sublicensing, correct?

3 A Yes.

4 Q You know where in the agreement subleasing -- sublicensing  
5 is spoken to?

6 A I would have to flip through. I'm sorry.

7 Q Have you located anything?

8 A I'm going through page by page to make sure that I get  
9 everything that's relevant.

10 Q Just because a couple of us have flights today, Mr.  
11 Stastney, if I can point you to section 2.2.

12 A Sure.

13 Q On page 7 of 69.

14 A Uh-huh.

15 Q Do you see where I'm at?

16 A I do.

17 Q Do you see where it says subject to full and unconditional  
18 compliance by Ultra D and its affiliates, and you would agree  
19 that Stream is an affiliate of Ultra D, correct?

20 A I would.

21 THE COURT: Okay. Section 2 point what, counsel?

22 MR. KODOSKY: I'm sorry, Your Honor. 2.2.

23 THE COURT: Uh-huh.

24 BY MR. KODOSKY:

25 Q Where it states, "Subject to full and unconditional

1 compliance by Ultra D and its affiliates." And you just stated  
2 you agree that Stream is an affiliate of Ultra D?

3 A Yep. Both Stream and SeeCubic BV are.

4 Q With its obligations under this agreement, it goes on to  
5 say, "Phillips hereby grants to Ultra D and its affiliates a  
6 worldwide, nonexclusive, nontransferable license," -- what's  
7 your understanding of nontransferable license, sir?

8 A That it can't be transferred.

9 Q "-- under the licensed software without the," and it goes  
10 on to state, "without the right to grant sublicenses." Do you  
11 see that?

12 A I do.

13 Q Is this the provision or are there other provisions in  
14 here that expressly prohibit sublicenses?

15 A Well, this is a -- I believe this is the provision. But  
16 this is the grant of rights, and it carves out from that the  
17 right to grant sublicenses.

18 Q All right. So you'd agree with me that based on that  
19 provision, those sublicenses were permitted, correct?

20 A That's correct, based on that provision.

21 Q Let's take a look a SC-2, I believe it was, which was the  
22 2014 amendment. Do you still have that in front of you?

23 A I do.

24 Q Did you have any involvement in 2014 with negotiating the  
25 terms of the amendment to technology license agreement?



1 A I did not.

2 Q Who at Stream would have negotiated this amendment?

3 A I believe it was signed by Raja Rajan. I don't know who  
4 negotiated it.

5 Q Is Mr. Raja Rajan in court with us today?

6 A Is who?

7 Q Do you know Mr. Rajan? Raja?

8 A I do.

9 Q Okay. Is he here with us today?

10 A Raja Rajan is not here with us today, no.

11 Q Is he related to Mathu Rajan?

12 A I believe he's Mathu's brother.

13 Q Okay. So Mathu's brother is the individual that  
14 negotiated the amendment to the Phillips license agreement in  
15 -- it looks like it's got a date of December 8th, 2014,  
16 correct?

17 A I don't know who negotiated it. I know that he signed it.

18 Q Do you know why it was negotiated?

19 A Yes, I do.

20 Q Why?

21 A In order to provide the additional parallel licensing  
22 agreements and accomplish a couple of other things, one of  
23 which was to add additional intellectual property that had been  
24 developed into the technology license, and one was to move the  
25 license from Ultra D Cooperative to Ultra D Ventures.

1 Q What's your understanding based on in terms of the  
2 reasoning for this amendment?

3 A The way this amendment was described to me when I was a  
4 board member and investor of Stream TV.

5 Q By whom?

6 A By Mathu Rajan.

7 Q By Mathu or Roger --

8 A Raja?

9 Q Or Raja.

10 A By Mathu.

11 Q Okay. If you take a look at the second page of SC-2, the  
12 first full paragraph beginning with the word "subsequently."

13 A Uh-huh.

14 THE COURT: Wait, where are we?

15 MR. KODOSKY: On page 2 of SC-2, the amendment -- the  
16 December 8th, 2014, amendment.

17 THE COURT: Uh-huh.

18 BY MR. KODOSKY:

19 Q You've seen this agreement before today, Mr. Stastney?

20 A I have.

21 Q Do you have a copy of this agreement in your files?

22 A I probably do.

23 Q From the time that you were employed by Stream?

24 A I believe from the time after when -- during the period of  
25 the omnibus agreement.

1 Q Okay. So your -- your testimony is that after the omnibus  
2 agreement -- omnibus agreement, that's whenever you would have  
3 received a copy of this agreement for your files?

4 A I don't remember exactly, but certainly at that point.

5 Q Have you read this agreement before today?

6 A I have.

7 Q Tell me where in this agreement, this amendment,  
8 sublicensing is permitted.

9 A This is -- this is essentially what sublicensing is. So  
10 basically the parties both acknowledge that for certain  
11 applications and uses of 3D technology, third party users may  
12 need to obtain a license under the intellectual property rights  
13 related to 3D display technology, conversion, and rendering  
14 technology, and 3D format. The parties both confirm their  
15 willingness to offer licenses under said respective  
16 intellectual property rights with respect to such applications  
17 and uses to third party users on reasonable conditions.

18 Q All right. And it goes on in the next paragraph to state,  
19 that in the event that Ultra D becomes engaged in negotiation  
20 with any third party regarding a license --

21 THE COURT: Where -- where are we at, counsel?

22 MR. KODOSKY: On page 1, Your Honor.

23 THE COURT: Oh, okay. I'm on page -- okay.

24 MR. KODOSKY: The paragraph that begins "In the event  
25 that Ultra D becomes engaged in negotiation --"

1 THE COURT: Uh-huh.

2 MR. KODOSKY: "-- with any third party regarding a  
3 license in respect of such applications and uses, and it  
4 believes that the third party may also be using Phillips  
5 technology, it will notify Phillips in writing about such third  
6 party."

7 BY MR. KODOSKY:

8 Q Do you see where I'm reading from, sir?

9 A I do.

10 Q As SeeCubic Inc or SC BV to your knowledge ever notified  
11 Phillips in writing about any third-party using Phillips'  
12 technology?

13 A I don't know if SeeCubic BV notified Phillips regarding  
14 the Bosch POC. But none of the POCs that we're working on have  
15 gotten to the point where we're actually engaged in  
16 negotiations regarding a license in respect to such  
17 applications.

18 Q You've never had any negotiations with any customer or  
19 potential customer regarding licensing?

20 A Other than Bosch that I'm aware of, no. And when you say  
21 we, I'm speaking on behalf of SeeCubic Inc and SeeCubic BV.

22 Q And it goes on to state, "Phillips may give its consent  
23 which consent will not be unreasonably withheld to Ultra D to  
24 point out to such third party that Phillips also holds  
25 intellectual property rights relevant for such applications and

1 uses." Do you see that?

2 A I do.

3 Q There's nothing in this agreement that says that if Ultra  
4 D builds upon the Phillips technology that they don't have to  
5 all of a sudden obtain permission from Phillips anymore,  
6 correct?

7 A Correct.

8 Q And on page 2 of this agreement, in the paragraph that  
9 begins with the word "subsequently," I'm looking at the line 1,  
10 2, 3, 4 -- third line down where it says,

11 "Ultra D shall treat Phillips's license terms and  
12 conditions as confidential information and Ultra D  
13 represents that the perspective licensee shall do the  
14 same. In the event the perspective licensee wishes  
15 to conclude parallel license arrangements with both  
16 Ultra D and Phillips, Ultra D and Phillips shall both  
17 negotiate a separate license with such third party."

18 Do you see that?

19 A I do.

20 Q What's your understanding of that provision?

21 A That to the extent that there's a party who is interested  
22 in utilizing technology which uses both Ultra D and Phillips  
23 IP, that Ultra D is allowed to show the standard Phillips terms  
24 under confidentiality, must be under a NDA. But Phillips  
25 ultimately will negotiate the terms of that sublicense with any

1 third party directly.

2 Q And it says, "For the avoidance of doubt, all licenses  
3 under the Phillips technology will be negotiated between  
4 Phillips and the prospective licensee", correct?

5 A I believe that's what I just said, yeah.

6 Q It doesn't say Ultra D will negotiate any licenses.

7 A I believe it does in the sentence right above. "In the  
8 event the prospective licensee wishes to conclude parallel  
9 license arrangements with both Ultra D and Phillips, Ultra D  
10 and Phillips shall both negotiate a separate license with such  
11 third party."

12 Q But then the next sentence that says, "For the avoidance  
13 of doubt, all licenses under the Phillips technology will be  
14 negotiated between Phillips and the prospective licensee,"  
15 correct?

16 A Correct.

17 Q So in other words, SC BV does not have the right to  
18 license Phillips' technology to anybody. Only Phillips has the  
19 right under this amendment to do that, correct?

20 A That's correct. And it has agreed to do so under  
21 reasonable terms and conditions.

22 Q And to this point, Phillips has never been contacted as  
23 far as you're aware other than you mentioned Bosch, regarding  
24 any negotiations regarding the licensing of its technology,  
25 correct?

1 A That's correct because there have not been any.

2 Q But there hasn't been any to this point, but that's what  
3 you're all working towards, correct? By working on these  
4 protocol projects?

5 A Yes. This entire agreement, this Phillips license and the  
6 economics under the Phillips license contemplate that  
7 ultimately the technology will be commercialized.

8 Q Okay.

9 A And that's the point in which Phillips actually gets money  
10 for its license. So yes, this entire license structure was put  
11 in place contemplating that at some point we would have a  
12 commercial customer who would get pay -- who would pay the  
13 Phillips license.

14 Q And you'll acknowledge, sir, that to this point, nobody  
15 has negotiated with Phillips regarding any licenses, correct?

16 A So far there have been no licenses to negotiate.

17 Q And as far as -- do you know whether or not Phillips is  
18 even -- actually, let me ask you. Were you aware that Phillips  
19 is in the process or has sold patents and is no longer making  
20 any licenses available?

21 A I'm aware that there have been negotiating and may have  
22 sold their patent portfolio. I do not know whether they're no  
23 longer making any licenses available.

24 Q Right.

25 A Since they have an obligation to do so under this

1 agreement.

2 Q Let me ask you a few questions, sir, about this protocol.  
3 Were you involved in this protocol -- negotiating the terms of  
4 this protocol?

5 A It was not negotiated. The independent director asked  
6 both myself and Mathu, I believe proposed a protocol. Asked  
7 for feedback from both S -- SeeCubic Inc and from Stream, and  
8 then disseminated the protocol.

9 Q This was sometime here in the summer of 2023?

10 A That's correct.

11 Q After Mr. Rajan was removed on June 29th?

12 A That's correct.

13 Q And before the independent director resigned?

14 A That's correct.

15 Q There's -- there's certain provisions in here, for  
16 example, I believe this is the exhibit marked SE-3.

17 A Okay.

18 Q At the top of the first page there, Roman Numeral -- or  
19 subparagraph V where it says all payments to be approved by  
20 independent director, and then in parenthesis, remove SEI. You  
21 understand SEI to mean SeeCubic Inc, correct?

22 A I do.

23 Q Remove SEI related persons from bank register. Do you see  
24 that?

25 A I do.



1 Q Have you removed all SEI related persons from the bank  
2 register?

3 A Yes. No SEI people can approve payments.

4 Q On -- let me ask you, on page 2 of this, the understanding  
5 is, in paragraph number one, in subparagraph two, it's talking  
6 about each project requires a budget showing sufficient  
7 proceeds for the companies to cover at least all direct and  
8 indirect costs. Do you see that?

9 A I do.

10 Q Have there been any budgets -- written budgets prepared to  
11 this point?

12 A Yes.

13 Q And it goes on to say, the purchase contract between the  
14 companies and the relevant party, including confidentiality and  
15 protection of trade secrets. Do you see that?

16 A I do.

17 Q Have there been purchase contracts that have been entered  
18 between -- who -- who is the companies in reference to that  
19 sentence?

20 A I believe the Dutch entities.

21 Q Have there been any purchase contracts that have been  
22 executed to this point including confidentiality and protection  
23 of trade secret provisions?

24 A Yes.

25 Q How many?

1 A Two have been entered so far.

2 Q I'm sorry?

3 A Two have been entered so far.

4 Q And am I correct that you would refuse to identify who  
5 those contracts have been entered into?

6 A One is Hyundai. That's already been made publicly  
7 available. The other one, yes, I would refuse.

8 Q Who is the one with?

9 A Hyundai Mobis.

10 Q I'm sorry?

11 A Hyundai Mobis, the one who you mentioned earlier.

12 Q Okay. In reference to paragraph five on page two, do you  
13 see where it states that the independent director will use its  
14 best efforts to keep information which he receives from either  
15 party confidential. Do you see that?

16 A I do.

17 Q Am I correct that if SCI or SeeCubic of Delaware or I  
18 guess it would be SeeCubic of Delaware, has projects that it  
19 wants to propose, that would be to you, correct?

20 A Correct.

21 Q And if the Debtors have projects that they want to  
22 propose, then they would have to propose those to you, correct?

23 A Or as directed by me, and -- and the process that we've  
24 planned to put in place and we'll seek approval from the Dutch  
25 court for that, is that they'll go to the employees, to the

1 extent that a name is needed, it will be given only to the  
2 staff of the BV, and I won't receive that name. I'll receive  
3 the details and the analysis of the project to determine its  
4 feasibility, but not the name.

5 Q Where does it state that in this protocol?

6 A It doesn't.

7 Q What's that based on then?

8 A That's based on -- this protocol was set up for the  
9 independent director. That's based on Dutch counsel's advice  
10 on how best to effectuate the spirit of the protocol,  
11 understanding that I am with one of the parties.

12 Q Right. And so I guess my question to you, or my point was  
13 that this protocol to the extent that -- would you agree that  
14 there were certain provisions in this protocol that made more  
15 sense whenever there was an independent director involved as  
16 opposed to essentially the chairman and CEO of one of the two  
17 parties?

18 A Yeah. There are certain provisions that have to be  
19 modified to effectuate the spirit, and we're in the process of  
20 doing that.

21 Q Where in the process have you been doing that?

22 A In discussions with Dutch counsel about what's going to be  
23 sufficient for the Court, and then we'll propose it to the  
24 Court.

25 Q So the independent -- or so the middleman, the policeman,

1 essentially you, are speaking to -- when you say Dutch counsel,  
2 are you speaking with Dutch counsel for, for example, the  
3 Debtors?

4 A No, we're speaking with our Dutch counsel.

5 Q When you say our Dutch counsel, who's "our" in that  
6 sentence?

7 A Both -- both the Dutch entities and SeeCubic Inc.

8 Q So you're -- you're speaking with counsel for nobody from  
9 the Debtors, but you're speaking with counsel for the Dutch  
10 entities and SeeCubic Inc. Is that understood to be correct?

11 A In terms of formulating an approach, which they will then  
12 propose to the Court for the Court's approval per the mandate.

13 Q Where is that referenced in this protocol anywhere? In  
14 fact, were any reference about what the court approval of what  
15 you all are doing is listed?

16 A That is in the decision, not in the protocol.

17 Q The decision that was shown to you and marked as, I  
18 believe, SC Exhibit 5 -- D -- I'm sorry, SC-5, was it?

19 THE COURT: Four.

20 MR. KODOSKY: Four.

21 BY MR. KODOSKY:

22 Q And I don't have a lot of questions about that decision.  
23 You're referring to the September 20th, 2023, decision that put  
24 you in charge, correct?

25 A That made me the director, yes.

1 Q I would ask you to take a look at page 14, section 5.21.  
2 Please let me know when you're there.

3 A Okay. Yes.

4 Q Do you see where it states that the provisions to be made  
5 regarding the management of the companies will apply for the  
6 same period as stipulated in the judgment, namely -- and then  
7 below, A and B, it says or until a judge decides otherwise. Do  
8 you see that?

9 A I do.

10 Q Doesn't say a Netherlands judge or an Amsterdam judge, it  
11 says a judge, correct?

12 A In the English translation, yes.

13 Q Could be a bankruptcy court judge, correct?

14 A I don't know.

15 MR. KODOSKY: No further questions, Your Honor.

16 THE COURT: Recross?

17 MR. COLBY: I was pausing because I was thinking if  
18 it's technically a recross. But I have no questions of any  
19 nature at this time. Thank you.

20 THE COURT: Counsel?

21 MR. CAPONI: No further questions, Your Honor, sorry.

22 THE COURT: Are you -- have any further questions for  
23 this -- or may I release this witness?

24 MR. KODOSKY: We may excuse the witness.

25 THE COURT: All right. You're excused, Mr. Stastney.

1 THE WITNESS: Thank you, Your Honor.

2 THE COURT: All right. I think this would be a good  
3 time to sort of pause the hearing and continue it to another  
4 date, and at which time you'll call -- you meaning the Debtors,  
5 will call -- will call their other two witnesses, and then Mr.  
6 Kodosky, you will call your other two witnesses. If there's  
7 any rebuttal, we'll do that, and hopefully by that point I'll  
8 be able to issue -- make a decision on, one, whether there's a  
9 need for a TRO and if there isn't then, no. But -- and then  
10 we'll go from there.

11 I expect to be able to rule. I know that if I do  
12 grant one, that's a lot of work I have to do to justify that.  
13 Either way, lots of things, but you know. So anything else  
14 other than setting a date for the future -- for the continued  
15 hearing? Is there anything for today with respect to the  
16 testimony of evidence?

17 MR. KODOSKY: None from our -- none from our  
18 standpoint, Your Honor.

19 THE COURT: All right. Have the parties during the  
20 break had an opportunity to discuss a new date?

21 MR. COLBY: We did not, Your Honor. I think our  
22 side, however, is generally okay with that date of the 16th.

23 THE COURT: The 16th. 16 works for everybody?

24 MR. KODOSKY: I think so, Your Honor.

25 THE COURT: Okay. And that -- let's aim for 10:00.

1 10:00 on the -- well, you know what, I don't know if my -- does  
2 that work for you guys, because I don't know if you're going to  
3 be in another -- you're not necessarily assisting in another  
4 courtroom on that date, right? Because sometimes I know you  
5 have to cover a little bit? Okay.

6 All right. Let's aim for 10:00 on the 16yh and we'll  
7 go from 10:00 to 6:00, 7:00, unless the CSOs kick us out before  
8 then, okay.

9 MR. KODOSKY: Thank you, Your Honor.

10 THE COURT: All right. Thank you, counsel. So I  
11 think court is adjourned until Tuesday at 10:30.

12 Thank you and everyone have a good weekend.

13 MR. CAPONI: You too, Your Honor. Thank you.

14 MR. KODOSKY: Hope you feel better.

15 (Proceedings adjourned at 5:21 p.m.)  
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C E R T I F I C A T E

I hereby certify that the foregoing is a true and correct transcript from the electronic sound recording of the proceedings in the above-entitled matter.

*John Buckley*

John Buckley, CET-623  
Digital Court Proofreader